



RULE-MAKING ORDER

CR-103 (June 2004)
(Implements RCW 34.05.360)

Agency: Insurance Commissioner

☒ Permanent Rule
☐ Emergency Rule

Effective date of rule:

Permanent Rules

☐ 31 days after filing.
☒ Other (specify) July 1, 2009 (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Effective date of rule:

Emergency Rules

☐ Immediately upon filing.
☐ Later (specify) _____

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

☐ Yes ☒ No If Yes, explain:

Purpose: These new rules implement changes to the way insurance agents, brokers, solicitors, and general agents are licensed by the state and clarify education requirements both prelicensing and continuing. During the 2007-09 legislative sessions, the legislature enacted many provisions of the NAIC's producer licensing model act; these new rules effectuate the new laws.

Insurance Commissioner Matter No. R 2008-06

Citation of existing rules affected by this order:

Repealed: WACs 284-17-121, -230, 232, 234, 236, 238, 240, 242, 248, 280, 288, 290, 298, 301, 308, 320, 421, 425, 427, 431, 433, 437, 441, 447, 455, 457, 463, 469, 471, 477, 479, 481, 482, 552, 553, 554, 555, 284-12-090

Amended: WACs 284-17-120, -122, 123, 125, 130, 175, 200, 210, 220, 222, 224, 226, 244, 246, 250, 252, 254, 256, 270, 272, 274, 276, 278, 282, 284, 286, 292, 294, 296, 302, 304, 306, 310, 312, 422, 423, 429, 435, 439, 443, 445, 449, 467, 473, 483, 505, 510, 515, 520, 530, 535, 537, 539, 540, 545, 550, 551, 560, 565, 600, 284-15-010 and 080

Suspended:

Statutory authority for adoption: RCW 48.02.060, 48.17.005

Other authority :

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR 08-22-018 on October 27 2008.

Describe any changes other than editing from proposed to adopted version: None.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name: _____ phone _____
Address: _____ fax _____
e-mail _____

EMERGENCY RULE ONLY

Under RCW 34.05.350 the agency for good cause finds:

- ☐ That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- ☐ That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

Date adopted: January 6, 2009

NAME (TYPE OR PRINT)

Mike Kreidler

SIGNATURE

TITLE

Insurance Commissioner

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: January 06, 2009
TIME: 4:08 PM

WSR 09-02-073

(COMPLETE REVERSE SIDE)

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____

The number of sections adopted at the request of a nongovernmental entity:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted in the agency's own initiative:

New	<u>21</u>	Amended	<u>62</u>	Repealed	<u>38</u>
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	_____	Repealed	_____
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The number of sections adopted using:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	<u>21</u>	Amended	<u>62</u>	Repealed	<u>38</u>

NEW SECTION

WAC 284-17-001 Definitions. For purposes of this chapter, unless the context requires otherwise:

(1) "Affiliation" is a type of appointment whereby a business entity authorizes an individual insurance producer or surplus line broker to represent it when conducting insurance business.

(2) "Business entity" has the meaning set forth in RCW 48.17.010(2) and includes a sole proprietorship having associated licensees authorized to act on its behalf in the business or trade name of the sole proprietorship.

(3) "Days" means calendar days including Saturday and Sunday and holidays, unless otherwise specified.

(4) "File" means a record in any retrievable format, and unless otherwise specified, includes paper and electronic formats.

(5) "Home state" has the meaning set forth in RCW 48.17.010(3).

(6) "Insurer" has the meaning set forth in RCW 48.17.010(6).

(7) "Licensee" means a person licensed by the commissioner under Title 48 RCW to sell, solicit or negotiate insurance and includes adjusters.

(8) "Line of authority" means a license issued in one or more lines of insurance listed in RCW 48.17.170.

(9) "NAIC" means the National Association of Insurance Commissioners.

(10) "Reinstatement" means the reissuance by the commissioner of a license that was not renewed more than sixty days but fewer than twelve months after its expiration date.

(11) "Resident" means a person who has elected to make Washington his or her home state, or, in the case of a business entity, has a place of business in this state.

(12) "Sending written notice" or "sending a copy of the written notice" means transmitting the required information in writing and, where required, on forms designated by the commissioner for that purpose, via first class mail, commercial parcel delivery company, telefacsimile, or electronic transmission, unless a specific method of transmission is specified.

(13) "Surety" means that limited line of authority of insurance or bond that covers obligations to pay the debts of, or answer for the default of another, including faithlessness in a position of public or private trust.

(14) "Travel insurance" means that limited line of authority of insurance coverage for trip cancellation, trip interruption, baggage, life, sickness and accident, disability, and personal effects when limited to a specific trip and sold in connection with transportation provided by a common carrier.

(15) "Written" or "in writing" means any retrievable method of

recording an agreement or document, and, unless otherwise specified, includes paper and electronic formats.

NEW SECTION

WAC 284-17-005 Address of record. The address of record used by the commissioner will be the last mailing address provided by the person or entity to the commissioner.

Licensees must advise the commissioner of any change of address within thirty days after a change of address. This includes any change in the person's residence, mailing, business or e-mail address. Failure to advise the commissioner of a change of address may subject a licensee to disciplinary action under RCW 48.17.530 and 48.17.560.

NEW SECTION

WAC 284-17-009 Limited line credit insurance. Limited line credit insurance is defined at RCW 48.17.010(8).

(1) Insurers must ensure that their licensed and appointed insurance producers who transact the limited line credit insurance are qualified by education or experience to offer their credit insurance products.

(2) The requirements of this chapter for prelicensing and continuing insurance education do not apply to insurance producers that transact only the limited line credit insurance.

NEW SECTION

WAC 284-17-011 Limited line of travel insurance. Travel insurance is a limited line of authority and is defined in WAC 284-17-001(14).

(1) Insurers must ensure that their licensed and appointed insurance producers who transact the limited line of travel insurance are qualified by education or experience to offer their travel insurance products.

(2) The requirements of this chapter for passing an insurance producer examination and for prelicensing and continuing insurance education do not apply to insurance producers that transact only the limited line of travel insurance.

NEW SECTION

WAC 284-17-015 Variable life and variable annuity products-- Standards for resident licenses. (1) Resident insurance producers who desire to sell, solicit or negotiate variable life and variable annuity products in this state must obtain and maintain an insurance producer license with a life line of authority and an appropriate securities license from the Financial Industry Regulatory Authority (FINRA). Upon presentation of satisfactory evidence that the producer has fulfilled this requirement, the commissioner will issue a license with a variable life and variable annuity products line of authority.

(2) All licensees with the variable life and variable annuity products line of authority are also subject to the licensing requirements set forth in RCW 48.18A.060.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-120 Resident insurance producer licensees-- Examination ~~((procedures for agents, solicitors and adjusters))~~ **required, procedures.** Prior to the transaction of insurance, an applicant for a resident insurance producer's license must take and pass the required examination for each line of authority to be applied for, submit an application form with the required attachments and fees, and receive a license from the commissioner.

(1) Examinations.

(a) Any resident person applying to take an examination for ~~((any type of))~~ a license ~~((shown))~~ listed in ~~((subsection (2) of))~~ this section must submit a registration form and the applicable examination fee to an independent testing service ~~((under contract with))~~ designated by the commissioner ~~((for the administration of licensee examinations))~~.

~~((This))~~ (i) The examination fee is not refundable.

(ii) Registration forms and information about examinations may be obtained from the ~~((office of insurance))~~ commissioner ~~((, any prelicensing education provider,))~~ or from the independent testing service ~~((Current information about the independent testing service, fees, dates of examinations, and other information related to licensing examinations, or to download an examination registration form, are available through))~~ under contract with the commissioner to conduct licensing examinations in this state.

((iii)) An examination registration form can be downloaded through the commissioner's web site ((+)) and current information about registered testing services, fees, dates, and other information is available through the commissioner's web site at www.insurance.wa.gov ((+)).

((+2)) At least once each month at predetermined locations,))
((b)) The examinations required for each line of authority are identified in the following table. The independent testing service will conduct ((the)) these examinations ((required for the following types of licenses-)) at least once each month at predetermined locations.

<u>((TYPE OF LICENSE</u>	<u>EXAMINATION(S) REQUIRED</u>
Life insurance agent or solicitor	Life
Disability insurance agent or solicitor	Disability
Life and disability agent or solicitor	Life, disability
Property/casualty agent or solicitor	Property, casualty
Property/casualty and disability agent or solicitor	Property, casualty; disability
Life/disability/ property/casualty agent or solicitor ...	Life, disability; property, casualty
Vehicle only agent or solicitor	Vehicle
Surety only agent or solicitor	Surety
Credit life and disability agent or solicitor	Credit life and disability
Credit casualty agent or solicitor	Credit casualty
Independent adjuster	Adjuster
Public adjuster	Adjuster
Life and disability broker	Life and disability
Property/casualty broker	Property and casualty (Disability questions are included))

<u>LINE OF AUTHORITY OR TYPE OF LICENSE</u>	<u>REQUIRED EXAMINATION(S)</u>
Life	Life
Disability	Disability
Life and disability	Life((;)) and disability
Property	Property
Casualty	Casualty
Property and casualty	Property((;)) and casualty
Personal lines	Personal lines
Adjusters (independent or public)	Adjuster
Limited line ((of)) credit insurance	Credit
Surety	Surety
Surplus line	Surplus line
Variable life and variable annuity products	Life

((+3)) ((c)) If an applicant fails to take a scheduled

examination, and requests to take the exam at a later date, a new examination date must be scheduled and a new ((registration form and applicable)) examination fee((s)) must be ((submitted for any later examination)) paid, unless repayment of the fee is waived ((because)) by the commissioner ((finds)) because the commissioner agrees that a serious emergency prevented the applicant's attendance at the scheduled date.

((4) Tests) (d) Examinations will be graded by the independent testing service and each applicant will be provided a score report((, following examination)).

((If the examination is passed,)) (2) Application for a license. The application for a license must be accompanied by all of the following: The score report ((must be forwarded by the applicant to the insurance commissioner with)) from the testing service, a completed insurance license application, one finger print card((, appointment form(s) for each insurer to be represented,)) and the applicable license, ((finger print,)) appointment and filing fees.

(3) Approval by the commissioner. The commissioner will review the application and if all requirements have been met will issue the license(s) applied for.

AMENDATORY SECTION (Amending Order R 90-1, filed 2/2/90, effective 3/5/90)

WAC 284-17-122 Applications for nonresident ((agent, broker, or adjuster's)) licenses. (1) Applicants who are not residents of Washington may be licensed as nonresident ((agents or brokers)) insurance producers without taking the required Washington examinations specified in WAC 284-17-120 (1)(b) if:

(a) The applicant has and maintains in good standing a similar license in ((the)) his or her home state ((of residence)) for the applicable line(s) of ((insurance)) authority defined in ((Washington's insurance statutes)) RCW 48.17.170; and

(b) The home state ((of residence)) reciprocates and licenses Washington's ((agents and brokers)) insurance producers as nonresident ((agents or brokers)) insurance producers.

(2) ((Applicants who are not residents of Washington may be licensed as nonresident adjusters if:

(a) The applicant has and maintains an adjuster's license in the state of residence; and

(b) The state of residence reciprocates and licenses Washington's adjusters as nonresident adjusters.

If an applicant's state of residence does not issue an adjuster's license, the applicant must pass this state's written adjuster's examination.

(3) All applicants for a nonresident license must provide written certification from the insurance department of their state

of residence indicating:

~~(a) All currently active license(s) held by an applicant;~~
~~(b) The lines of insurance for which the agent or broker has qualified to sell; and~~

~~(c) All disciplinary actions taken against the applicant.))~~
Nonresident applicants whose home state requires submission of a fingerprint card for conducting background checks in connection with resident insurance producer (or equivalent) license, need not provide a fingerprint card to the commissioner.

(a) A list of states that the commissioner believes require a fingerprint card will be available on the commissioner's web site at www.insurance.wa.gov.

(b) If the home state of an applicant does not appear on that list and the applicant believes that list should include his or her home state, the applicant may provide information concerning the requirements of his or her home state for the commissioner's review. The commissioner will consider that information and determine whether the applicant's home state should be added to that list.

AMENDATORY SECTION (Amending Order R 90-1, filed 2/2/90, effective 3/5/90)

WAC 284-17-123 Resident and nonresident adjuster((s)) licenses--Trainees. (1) Applicants for a resident adjuster((s)) license may satisfy the experience or special training requirements of RCW 48.17.380(4) by employment as a "trainee" for a period of not ~~((less))~~ fewer than six months.

~~((2))~~ (a) Each ((u)) trainee((shall)) must be ((under the supervision of)) supervised by a resident licensed adjuster. ((u)) Trainees((shall)) must receive training in all adjustment activities and responsibilities. Activities of the ((u)) trainee((shall)) must be restricted to participation in factual investigation and tentative closing of losses. All adjusting transactions ((shall)) must be completed in the name of the supervising licensed adjuster who ((shall)) must review, confirm, and be responsible for all acts of the ((u)) trainee.((u)) Compensation of a ((u)) trainee((shall)) must be on a salary basis only.

~~((3) Anyone))~~ (b) Any person employing trainees ((shall)) must immediately advise the ((insurance)) commissioner ((by letter of such employment, giving)) and provide the exact date ((of)) that employment of ((each u)) the trainee begins and ends.((u)) The employer ((shall enclose)) must submit an application completed by each ((u)) trainee and one fingerprint card.((u

~~((4))~~ (c) Trainees ((shall be)) are eligible to take the adjuster's examination required by the ((insurance)) commissioner after completing no fewer than six months ((in u)) as a trainee((u

status)).

~~((+5) No))~~ (d) The maximum period a person ((shall)) may be designated as a ((#)) trainee((# as defined herein for more than)) is one nine-month period.

~~((A))~~ (e) Any violation of this ((requirement)) section or a violation of any provision of the insurance code ((shall)) subjects both the trainee and ((their)) the supervisory adjuster to penalties of the code.

(2) Applicants who are not residents of Washington may be licensed as nonresident adjusters as follows:

(a) A nonresident adjuster license will be issued if the applicant has and maintains an adjuster license in good standing in his or her home state and the home state reciprocates and licenses Washington adjusters as nonresident adjusters.

(b) If the home state of an applicant for an adjuster license does not issue an adjuster license, the applicant must pass this state's written adjuster examination.

(c) If the home state of an applicant for a nonresident adjuster license does not issue an adjuster license but he or she has an active adjuster license as a nonresident in a state other than Washington that requires passing an examination, and he or she has taken and passed the examination and is in good standing with that state, the nonresident adjuster is deemed by the commissioner to have satisfied the examination required for adjusters in this state.

NEW SECTION

WAC 284-17-124 Examination for limited line surety and limited line credit insurance license required. Applicants for a limited line surety or limited line credit insurance license must take and pass the appropriate license examination. Information regarding the surety and credit insurance license examinations is available on the insurance commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Order R 88-11, filed 11/16/88)

WAC 284-17-125 Prohibited acts or practices by license examinees. In addition to the unlawful acts set forth in RCW 48.17.125, the following are prohibited acts or practices by persons taking examinations for licenses:

(1) ((Conduct that compromises the security of insurance license examination materials, including but not limited to:

~~(a) Unauthorized appropriation of examination questions or materials; or~~
~~(b) Unauthorized reproduction or replication of any portion of an examination; or~~
~~(c) Aiding, by any means, the unauthorized reproduction or replication of an examination; or~~
~~(d) Providing examination questions or other examination information to any person or business engaged in preparing applicants to pass such examination; or~~
~~(e) Obtaining examination questions or materials for the purpose of furnishing the questions or materials to license applicants; or~~
~~(f) Unauthorized sale, distribution, purchase or possession of any portion of a previously administered, current, or prospective examination; or~~
~~(g) Taking or attempting to take an examination in the line of insurance for which the examinee is already qualified.~~
~~(2)) Behavior that undermines the evaluative objective of the examination(, including but not limited to:))~~;
~~((a)) (2) Communication with any other examinee during the examination period; ((or~~
~~(b)) (3) Copying answers or allowing another to copy answers; ((c) Possession of) (4) Possessing during the examination~~
any books, materials, notes, or photography or recording devices not issued or approved by the independent testing service representative; or
~~((d)) (5) Impersonating, or engaging another to impersonate, any applicant for the purpose of completing the examination on behalf of another.~~

AMENDATORY SECTION (Amending Order R 88-11, filed 11/16/88)

WAC 284-17-130 ((Prerequisites to)) Admittance to examination. As a prerequisite to admittance to any examination designed to test the ~~((examinee's))~~ applicant's qualifications to be an ~~((agent, broker, solicitor or adjuster))~~ insurance licensee, each applicant must certify on the form provided, that he or she:

(1) Is not taking the examination for purposes other than as the means to qualify for a license;

(2) Has not passed the examination for that line of ~~((insurance,))~~ authority within the ~~((previous two-year period))~~ last twelve months;

(3) Has been advised that the performance of any of the acts ~~((proscribed))~~ prohibited by WAC 284-17-125 ~~((constitutes))~~ is a violation of RCW 48.17.530 and ~~((48.17.560, as well as other statutes and regulations, and))~~ subjects the ~~((offender))~~ person to disciplinary action, including refusal to issue ~~((an insurance))~~ a license ~~((to the offender))~~, revocation of any ~~((insurance))~~

license issued by the commissioner that is currently held by the ~~((offender))~~ licensee, and the imposition of a fine; and

(4) Has been advised that the unauthorized appropriation or conversion of questions or materials comprising the examination for a Washington state insurance ~~((agent's, broker's, adjuster's, or solicitor's))~~ license is a violation of federal copyright law.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-175 Education referrals. ~~((It shall be unlawful for any))~~ No person ~~((to))~~ may accept any rebate, refund, fee, commission, or discount in connection with referrals of students to an insurance education prelicense or continuing insurance education provider~~((7))~~ without making a full disclosure to each student so referred.

CONTINUING INSURANCE EDUCATION

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-200 ~~((What is the purpose of the))~~ Continuing insurance education ((regulation?))--Minimum standards. ~~((The purpose of))~~ WAC 284-17-200 through ~~((284-17-320 is to implement the provisions of RCW 48.17.150. This regulation establishes))~~ 284-17-312 establish the minimum continuing education requirements that must be met prior to the renewal of an insurance ~~((agent, solicitor or broker))~~ producer license, and ~~((specifies))~~ specify the minimum criteria that ~~((must be met in order to qualify))~~ continuing insurance education courses ~~((for approval))~~ must meet to be approved by the commissioner.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-210 ((What)) Definitions ((are important throughout this chapter?)). ((As used in this continuing education regulation)) The following definitions apply to WAC 284-17-200 through 284-17-312, unless the context clearly requires otherwise:

(1) "Approved course" means ~~((an educational insurance related))~~ a program of continuing insurance education, including live presentations, correspondence courses and seminars ((that have been)), formally approved by ((OIE)) the commissioner.

(2) "Credit hour((s))" means the value assigned to a course by the ~~((OIE))~~ commissioner. Generally, fifty minutes of instruction equals one credit hour.

(3) "Certificate of completion" means a document signed by ~~((the course instructor or other responsible officer))~~ an authorized designee of the insurance education provider ((signifying)) attesting to the satisfactory completion of the course and ((reflecting)) confirming the credit hours earned. ((The certificate shall be in standard format, completed in its entirety, and containing such identifying information as is prescribed by the OIE.))

(4) "Course number" means the identifying number assigned by ~~((OIE for))~~ the commissioner to an approved insurance education course.

(5) "Course outline" ~~((includes))~~ means a summary of the insurance education course content ((and)), including the time allotted ((by)) to each topic.

(6) ~~((("Days" means calendar days including Saturday and Sunday.~~

~~((+7)))~~ "Designation course" ~~((includes))~~ means a course of study taken to achieve an insurance professional ((studies taken to achieve nationally recognized professional distinctions)) certification, requiring passage of several standardized examinations, and granted by an insurance or professional organization or an accredited educational institution.

~~((+8)))~~ (7) "Instructor" means an individual knowledgeable in topic(s) of ~~((discussion.~~

~~((+9))~~ "Licensee" means an individual licensed under Title 48 RCW, as a resident insurance agent, solicitor or broker to sell life, disability, property, casualty or vehicle insurance. An individual holding a limited license to sell credit life and disability insurance, or travel insurance, or holding a license to sell surety insurance, need not satisfy the continuing education requirement.

~~((+10))~~ "Long-term care (LTC) special education" means education required by individual resident and nonresident agents and brokers prior to transacting long-term care insurance.

~~((+11))~~ "Long-term care (LTC) special education refresher course" means a condensed version of the LTC special education course.

~~((+12)))~~ instruction who has been designated by the insurance education provider to teach an approved course or courses.

~~(8) "Monitor" ((is an)) means the individual responsible for verifying class attendance and course ((content)) completion.~~

~~((13) "Override commission" means compensation received for the sale of insurance by a licensee who is not directly involved with a consumer.~~

~~(14) "OIC" means the Washington state office of insurance commissioner.~~

~~((15)) (9) "Provider" or "insurance education provider" means any insurer, health care service contractor, health maintenance organization, professional association, educational institution ((created by Washington statutes)), ((or)) vocational school, or independent contractor ((to which)) authorized by the ((OIC has granted authority)) commissioner to conduct and certify completion of ((a course satisfying the)) insurance education ((requirements of resident individual agents and brokers)) courses.~~

~~((16)) (10) "Provider number" ((is)) means the identifying number assigned by ((OIC)) the commissioner to an approved insurance education provider ((of insurance education.~~

~~(17) "Refresher LTC special education" means a condensed version of the LTC special education course.~~

~~(18) "Reinstatement" means the reissuance of a license that has expired more than sixty days but less than two years from the expiration date of the previous license.~~

~~((19)) (11) "Request for approval," ((is)) depending on the context, means either a ((submission of information required)) request for ((approval of a)) authority to act as an insurance education provider ((and)) or for approval of an insurance education course.~~

~~((20) "Resident" means a licensee who resides in Washington state.~~

~~((21)) (12) "Roster" ((is)) means a course attendance record ((or)), a record of a self-study course purchase ((and)), or a course completion record maintained by the insurance education provider.~~

~~((22) "Schedule" means written notification of when a course will be offered.~~

~~(23) "Self-study" means a method of study independent of a classroom setting.~~

~~(24) "Surety" insurance includes credit insurance, bail bonds, fidelity, insurance contract performance guarantees, bonds, guarantee undertakings, and contracts of suretyship, and indemnification of banks, bankers, brokers, financial or moneyed corporations or associations against certain losses enumerated in RCW 48.11.080(5).~~

~~(25) "Transacting" means solicitation, negotiations preliminary to execution, execution of an insurance contract, transaction of matters subsequent to execution of the contract and arising out of it and insuring.~~

~~(26) "Vehicle insurance" includes insurance against loss or damage to any land vehicle or aircraft or any draft or riding animal or to property while contained therein or thereon or being loaded or unloaded therefrom, and against any liability resulting~~

~~from or incident to ownership.~~

~~(27))~~ (13) "Waiver" means an ~~((OIC))~~ approved exemption from ~~((the))~~ this state's continuing insurance education requirement granted by the commissioner.

AMENDATORY SECTION (Amending Matter No. R 2007-16, filed 3/19/08, effective 4/19/08)

WAC 284-17-220 ~~((Who is required to meet))~~ Continuing insurance education ((CE) requirements?) required--Resident licensees. Except as provided in WAC 284-17-222 or waived in accordance with WAC 284-17-254, all individual residents ~~((agents, brokers and solicitors))~~ licensed to ~~((sell))~~ transact life, disability, personal lines, property ((and)), casualty or variable life and variable annuity products lines of ((insurance)) authority must meet the continuing insurance education requirements of this chapter.

AMENDATORY SECTION (Amending Matter No. R 2007-16, filed 3/19/08, effective 4/19/08)

WAC 284-17-222 ~~((Who is exempt from the))~~ Continuing insurance education ((requirements?)) exemptions. ~~((All individual resident agents licensed under chapter 48.17 RCW to sell credit life and disability, credit casualty, travel, surety lines of insurance, and vehicle insurance are exempt from the continuing education requirement. Resident adjusters are exempt from the continuing education requirement.))~~ Resident adjusters and individuals holding only limited credit insurance, travel insurance, or surety licenses are exempt from the continuing insurance education requirements of this chapter.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-224 ~~((How many))~~ Continuing insurance education--Required credit((s do I need?)) hours. ~~((Currently you are required to))~~ Timely completion of this state's continuing insurance education requirement is a prerequisite for renewal or reinstatement of a license. Before applying for renewal or

reinstatement of a license, except as provided in WAC 284-17-222 or waived in accordance with WAC 284-17-254, all resident persons licensed for personal lines, life, disability, property, casualty or variable life and variable annuity product lines of authority must complete ((thirty-two hours of approved continuing education for each license renewal cycle. Effective January 1, 2006, you will be required to complete)) twenty-four credit hours of approved continuing insurance education((, including)). The twenty-four hours of education must include three credit hours of ethics education during every license continuation period. Courses must be completed within the twenty-four month period prior to the date of renewal or the date of the request for reinstatement.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-226 ((What is)) Required ((as)) proof of completion of a course((?)). The ((course)) insurance education provider ((will)) must issue ((you)) a certificate of completion to each attendee within ((fifteen)) ten days ((of)) after completion of the course.

(1) The certificate of completion must be in the commissioner's designated format, completed in its entirety, and include all of the information prescribed by the commissioner. A form of certificate of completion is available to insurance education providers only on the commissioner's web site at www.insurance.wa.gov.

(2) For designation courses, the passing grade report will be accepted by the commissioner in lieu of a certificate of completion.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-244 ((How do I request individual)) Request for approval ((for my)) of attendance ((of)) at an insurance related education course that is not ((already approved?)) preapproved and is given by a nonapproved insurance education provider. ((You)) A licensee may ((attend and)) request credit for completion of an insurance related course organized and conducted by an entity that is not already approved ((as a provider)) by the commissioner as a continuing insurance education provider. The ((of)) commissioner will ((make an informed determination as to)) consider the educational value of the course. ((You must submit)) Evidence of

the following must be provided with the licensee's request for this approval:

(1) Proof of attendance ~~((by))~~, including the signature of the instructor(s) or person in charge verifying ~~((licensee's))~~ attendance;

(2) ~~((Sufficient))~~ Supporting materials ~~((regarding))~~ in sufficient detail to show the course content; and

(3) ~~((Credit))~~ The number of hours ~~((sought))~~ of actual attendance.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-246 ~~((Can I get))~~ Approval of continuing insurance education credit for ~~((attending an))~~ insurance related college ~~((course?))~~ courses. ~~((Yes,))~~ The commissioner may grant continuing insurance education credits ~~((are granted))~~ earned for insurance related college level courses on approved subjects ~~((by submitting))~~. To request approval, the licensee must submit to the commissioner a copy of the course syllabus and a transcript showing ~~((completion of))~~ that the requester completed the course. The number of credit hours ~~((are))~~ will be determined as follows:

(1) Twelve hours will be assigned for each college quarter credit hour~~((-))~~; and

(2) Sixteen hours will be assigned for each college semester credit hour.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-250 ~~((Can I repeat))~~ Retaking a continuing insurance education course ~~((?))~~. ~~((Yes, you can repeat))~~ A continuing insurance education course with the same course number ~~((after three years from the previous completion date))~~ may be completed for credit only once every three years.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-252 ~~((If I have excess hours (hours that exceed the minimum required for license renewal), can I carry them over to my next license renewal?))~~ No carry-over of excess continuing education credits. ~~((No, excess hours))~~ Credit hours earned during any license continuation period in excess of the continuing insurance education requirement cannot be carried over to the next license renewal period.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-254 ~~((How can I be granted a))~~ Waiver of the continuing insurance education requirements((?)). ~~((If you believe good cause exists, you))~~ Licensees may request a waiver of the continuing insurance education requirement. Requests must be ~~((in writing))~~ sent to the commissioner at time of renewal of ~~((your))~~ the license and must specify in detail the reason why ~~((you believe))~~ a waiver is merited.

~~(1) ((Retirement waiver. If your request for a waiver is based upon your retirement, your request must be accompanied by a statement attesting that:~~

- ~~(a) You are least sixty-five years of age;~~
- ~~(b) You are retired from selling insurance products; and~~
- ~~(c) You no longer represent any insurer either directly or through an affiliation with a business entity.~~

~~(2))~~ **Medical waiver.** If ~~((your))~~ the request for a waiver is based ~~((upon a))~~ on the medical condition of the licensee, ~~((your))~~ the request must be accompanied by a ~~((physician's))~~ statement ~~((of your))~~ from the treating provider describing the illness or injury.

~~((3))~~ **(2) Military waiver.** If ~~((your))~~ the request for a waiver is based ~~((upon))~~ on activation to military service, ~~((your))~~ the request must be accompanied by a copy of the licensee's "Letter of Mobilization." ~~((and your))~~

(a) The licensee must designate a representative(('s)) (including the name and address of the individual given power-of-attorney by the licensee), by name and address ((so that your)), to whom the license renewal notice or other correspondence can be sent ((to your representative)) during the licensee's active military service. ((Your))

(i) The address of the designee may be a mailing address or may be an e-mail address.

(ii) It is the obligation of the licensee to notify the commissioner of any change to the identity or contact information of the designee.

(b) In order to renew a license during the licensee's military

deployment, the designated representative must sign the renewal~~((The renewal and))~~ form and submit it with the applicable fees
~~((must be returned))~~ to the ((OIC)) commissioner no later than the
due date.

(c) The ((OIC)) commissioner may waive the continuing insurance education requirement for renewal of ~~((your))~~ a license for the duration of the licensee's active military service.

(3) A waiver is only valid ~~((up to two years from the licensee's regular license renewal date))~~ for the associated license continuation period. If the medical condition or period of active duty exists on the date of the next license renewal, a new waiver may be requested by the licensee or the licensee's designee.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-256 ~~((If I instruct a class, how many))~~ Approved credits ~~((will I receive?))~~ for insurance education instructors. ~~((You will))~~ Instructors who teach an entire course receive twice the ~~((amount))~~ number of approved credit~~((s if you instruct the entire course))~~ hours for that course. Credit hours for the same course may be used only once in a three-year period.

CONTINUING INSURANCE EDUCATION PROVIDERS

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-270 ~~((How do I become a provider?))~~ Continuing insurance education providers--Standards. A person who seeks to become a continuing insurance education provider~~((, you))~~ must meet the ~~((standard as required in))~~ requirements of RCW 48.17.563~~((1))~~ and ~~((complete))~~ submit the ~~((provider))~~ proper application ~~((form CEPROVIDER), available on the OIC web site or upon request from the OIC))~~ for approval to act as a continuing insurance education provider. The application form can be found on the commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-272 ~~((What are the))~~ **Responsibilities of an approved continuing insurance education provider((?)).** (1) In addition to meeting the relevant requirements of this chapter and any other applicable law or rule, an approved continuing insurance education provider ((is responsible for)) must:

~~((1) Providing))~~ (a) Provide the ((OIC with the)) name of a contact person who is the responsible person for the provider;

~~((2) Hiring and supervising))~~ (b) Hire only instructors who are trustworthy, competent, and knowledgeable;

~~((3) Providing))~~ (c) Provide adequate supervision over instructors;

~~((4) Notifying, in a format as required by OIC, the OIC with a))~~ (d) Notify the commissioner of the course schedule at least ten ((calendar)) days prior to the course start date in the format required by the commissioner;

~~((5) Identifying))~~ (e) Designate a monitor((, an individual)) who is responsible for verification of class attendance and course content completion;

~~((6) Maintaining))~~ (f) Maintain a course roster, consisting of ((a)) sign-in((7)) and sign-out registers, for lecture (classroom) courses;

~~((7) Maintaining))~~ (g) Maintain a purchase and completion roster for self-study courses;

~~((8) Filing))~~ (h) File the course roster electronically in ((a)) the format ((as)) required by ((OIC)) the commissioner, within ten days after completion of the course;

~~((9) Issuing))~~ (i) Issue course completion certificates to attendees within ((fifteen)) ten days ((of)) after completion of course; and

~~((10) Maintaining))~~ (j) Maintain records for a period of three years ((from)) after the completion date of the course.

(2) The format for providing this information is available on the commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-274 ~~((Is there a fee to become an approved provider or for course approval?))~~ **Fee.** No fee is required for applying to become a continuing insurance education provider or for requesting the commissioner's approval of a continuing insurance education course.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-276 ~~((Will I be issued a))~~ Continuing insurance education provider ((number?)) numbers. ~~((Yes. You))~~ A continuing insurance education provider will be ((given)) assigned a provider number by the commissioner. That number must be included on all correspondence related to continuing insurance education and on all certificates of completion.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-278 ~~((How do I get a))~~ Approval of a continuing insurance education course ((approved?)). ~~((You must submit a))~~
(1) Requests for approval of a continuing insurance education course must be submitted to the ((OIE)) commissioner no fewer than twenty days prior to ((offering)) the first date the course is offered for credit. ((This)) The request must include all of the following, as applicable:

~~((1))~~ (a) Lecture (classroom) ((?)) courses:

~~((a))~~ (i) Completed course approval request form;

~~((b))~~ (ii) Content outline ((which includes)), including a list of topics to be covered and an estimate of the time to be spent on each topic;

~~((c))~~ (iii) Biography or resume of instructor(s); and

~~((d))~~ (iv) Date(s) that course ((is to)) will be offered.

~~((2))~~ (b) Self-study ((?)) courses:

~~((a))~~ (i) Completed course approval request form;

~~((b))~~ (ii) Study material; and

~~((c))~~ (iii) Sample exams.

(2) Continuing insurance education courses eligible for approval to satisfy the continuing insurance education requirement include:

(a) Courses demonstrating a direct and specific application to insurance; and

(b) Courses presenting information relevant to insurance-related statutory and regulatory requirements.

(3) General education, sales, motivation, management, leadership, and automation courses are not eligible unless the insurance education provider demonstrates to the satisfaction of the commissioner that a substantial portion of the course relates to the business of insurance and is not solely focused on a particular insurer's products.

(4) Prelicensing insurance education courses are not eligible for approval for continuing insurance education credit.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-282 ~~((Will I be issued a))~~ Continuing insurance education course ((number?)) numbers. ~~((Yes, you will be issued a))~~ The course number issued by the commissioner at the time of approval of the continuing insurance education course((. This number)) must be included on all correspondence related to the course and must be included on all certificates of completion for that course.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-284 ~~((What courses are specifically approved?))~~ Designation courses. ~~((Designation courses.))~~

(1) ~~((The following courses are))~~ Successful completion of any part of a course of study leading to an insurance professional designation is approved for the maximum number of credit hours required per renewal period((+.

~~(a) Any part of the American College Life Underwriting Training Council (LUTC) designation program.~~

~~(b) Any part of the American College Chartered Life Underwriter (CLU) designation program and advanced study programs.~~

~~(c) Any part of the Insurance Institute of America's program of insurance.~~

~~(d) Any part of the American Institute for Chartered Property Casualty Underwriter (CPCU) designation program.~~

~~(e) Any part of the Certified Insurance Counselor (CIC) program.~~

~~(f) Any part of the Health Insurance Association of America (HIAA) designation program.~~

~~(g) Any part of the Certified Employee Benefit Specialist (CEBS) designation program.~~

~~(h) Any part of the Life Office Management Association (FLMI) designation program. Changes in the above identified courses are presumed to be approved by the OIC unless the sponsoring organization is advised of disapproval.~~

~~(2) The OIC may approve additional designation courses of similar substance.))~~ as a designation course, as defined in WAC 284-17-210(6).

(2) A current list of approved designations for course credit can be found on the commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-286 ~~((How are credit hours assigned to a))~~
Continuing insurance education course(?) credit hours. (1) The number of credit hours assigned to a continuing insurance education course will ~~((normally))~~ be based upon the number of classroom hours or ~~((their))~~ the equivalent for self-study ~~((correspondence))~~ courses.

~~((However, the number of credit hours assigned may be less))~~
(2) After evaluation of the content of a continuing insurance education course, the commissioner may assign fewer credits than the total ((amount of time)) hours spent by the licensee in the ((course, based upon an evaluation of the course content)) classroom or in self-study.

(3) No continuing insurance education course will be approved for less than one hour of continuing insurance education credit.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-292 ~~((What must be included on a))~~ Certificates of completion(?) of continuing insurance education courses--Form. The form of certificate of course completion ~~((must be in the form specified by OIC and))~~ required by the commissioner is available to insurance education providers only on the commissioner's web site at www.insurance.wa.gov. The certificate and signature may be in electronic format. The certificate must include the following:

- (1) Name of student;
- (2) Course title and number;
- (3) Date of purchase of course, if applicable;
- (4) Date of completion of course;
- (5) Number of credit hours;
- (6) Provider's name and number; and
- (7) Signature of instructor or monitor and date ~~((; and~~
- ~~((8) Certification of completion by student)).~~

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-294 ~~((Do I have to renew my approval as a))~~
Renewal--Continuing insurance education provider(?)). ~~((No-Your))~~ A continuing insurance education provider is required to request renewal of approval to act as a continuing insurance

education provider ~~((does not need to be renewed as long as you have received))~~ only if the provider did not receive approval from the commissioner for ((a)) at least one course within the last four years. Otherwise, the commissioner's approval is continuous.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-296 ~~((Do I have to renew an))~~ Renewal--Approval of a continuing insurance education course((?)). ~~((Yes, a))~~ Approval of a continuing insurance education course offered by an approved insurance education provider must be renewed every two years. A ((renewal)) notice of renewal of course approval will be sent ((by the OIC and must be completed and returned with a copy of the current course material for a correspondence course or outline for a lecture course)) to the continuing insurance education provider. If ((substantial)) substantive changes have been made in the course curriculum since its most recent approval, ((it should)) the course must be ((submitted)) resubmitted as a new course.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-302 ~~((What))~~ Actions by a continuing insurance education provider ((could)) that may result in a fine((?)). The following actions by a continuing insurance education provider may result in a fine:

- (1) Advertising or offering a course for credit without the prior approval of the commissioner;
- (2) ~~((Not following))~~ Failing to follow the approved course outline;
- (3) Issuing fraudulent completion certificates; ~~((and))~~
- (4) ~~((Recruitment within an advertisement or during the hours of a course presentation.))~~ Erroneous advertising; or
- (5) ~~((The provider has failed))~~ Failing to comply with ((or has violated)) any statute or ((regulation)) rule pertaining to continuing insurance ((continuing)) education providers.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-304 ((Can the)) Revocation or suspension of approval of a continuing insurance education provider ((be suspended or revoked?))--Reinstatement. (1) ((Yes, the)) The commissioner's approval of a person to act as a continuing insurance education provider and approval of any or all of the provider's approved courses may be suspended or revoked by the commissioner if:

(a) The provider or any of its employees involved in continuing insurance education is found to have violated any ((of the)) provision((s)) of Titles 48 RCW or ((Title)) 284 WAC; or

(b) The ((OIC)) commissioner finds ((under these titles)) that disciplinary action against ((any)) a continuing insurance education provider is appropriate((; the OIC may exercise the discretion to suspend or revoke the provider approval and all of its courses)) based on the facts and circumstances of the violation.

(2) Reinstatement of a suspended or revoked approval ((shall be at the discretion of the OIC)) may be made by the commissioner only after ((receipt)) acceptance of satisfactory proof that the conditions responsible for the suspension or revocation have been successfully corrected and the possibility of reoccurrence of the violation has been eliminated.

(3) Reinstatement is at the sole discretion of the commissioner.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-306 ((Can an)) Grounds for revocation or suspension of approval of a continuing insurance education course ((be suspended or revoked?)). (1) ((Yes, the)) Approval of a continuing insurance education course may be suspended or revoked if the ((OIC determines)) commissioner concludes that any of the following has occurred:

(a) The content of an approved course ((was)) is significantly changed without notice to and prior approval from((r)) the ((OIC)) commissioner;

(b) A certificate of completion ((was)) is issued to ((any individual)) a person who did not complete the course;

(c) A certificate of completion ((was)) is not issued to ((any individual)) a person who satisfactorily completed the course;

(d) The actual instruction of the course is ((determined)) found by the commissioner to be inadequate; or

(e) Within fifteen days after the date of the commissioner's request, the continuing insurance education provider ((failed))

~~fails to ((comply with the OIC's request for submissions of))~~
~~supply updated descriptions of any course ((offerings, or)),~~
~~records, ((course)) materials, or audit ((information were not~~
~~provided within fifteen days of the OIC's request))~~ reports.

(2) Reinstatement of ~~((a suspended or revoked))~~ approval is at the sole discretion of the ((OIC. The OIC must receive)) commissioner and is conditioned upon receipt of satisfactory proof that the conditions responsible for the suspension have been corrected and the possibility of reoccurrence of the violation has been eliminated.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-310 ~~((What must))~~ Content of a course advertisements ((include?)). A continuing insurance education course advertisement must include all of the following:

- (1) The insurance education provider's name, using the name registered with the commissioner;
- (2) The course title, as approved by the commissioner;
- (3) A brief description of the content of the course;
- (4) The number of credit hours ~~((applied for or))~~ approved by the commissioner;
- (5) The location where the course will be held;
- (6) The date and time that the course will be presented; and
- (7) The total cost of the course.

AMENDATORY SECTION (Amending Matter No. R 2004-04, filed 3/17/05, effective 4/17/05)

WAC 284-17-312 ~~((Does Washington participate in the))~~ NAIC Uniform Continuing Education Reciprocity Agreement((?)). ~~((If Yes,))~~ Washington ~~((has entered into an agreement with states participating))~~ participates in the NAIC Uniform Continuing Education Reciprocity Agreement. ~~((With just a few state specific exceptions))~~ Generally, a continuing insurance education course approved by a participating state will be accepted by ~~((other participating states))~~ this state by submitting the NAIC Uniform Continuing Education Reciprocity Course Filing Form and any required attachments.

(1) An insurance education provider must be qualified as an approved provider in this state.

~~((Participating states have agreed they will not review another state's CE credit hours. Instructor qualifications will~~

~~also not be reviewed.))~~ A standard course filing form, available on the commissioner's web site or through the NAIC, will be ~~((used))~~ acceptable for reciprocity filings.

(3) ~~((The))~~ Participation in the NAIC Uniform Continuing Education Reciprocity Agreement does not change ~~((any of a provider's current duties under Washington law))~~ this state's standards for insurance education providers. ~~((A provider must still be independently qualified as an approved provider in a participating state.))~~

RENEWALS, APPOINTMENTS AND AFFILIATIONS

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-422 Reciprocity for nonresident ((agents)) insurance producers holding ((personal)) licenses for lines ((only)) of authority in the home state that are not issued in this state. If an otherwise qualified applicant for a nonresident ~~((agent's))~~ insurance producer's license holds a license in his or her home state ~~((limited to personal lines only authority,))~~ that is not among the recognized lines of authority in this state, the commissioner will ~~((reciprocate by licensing the nonresident for property and casualty lines of authority))~~ issue a nonresident license that is substantially equivalent to the license issued by the person's home state insurance regulator.

~~((1))~~ The nonresident licensee's authority to transact insurance in this state is limited to the scope of the license granted by the licensee's home state.

~~((2))~~ For purposes of this section, "personal lines only authority" means property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes.)) For example nonresident insurance producers holding a limited line crop insurance license in their home states will be issued Washington insurance producer licenses with a property line of authority.

AMENDATORY SECTION (Amending Matter No. R 2005-06, filed 5/30/06, effective 6/30/06)

WAC 284-17-423 ~~((How long are))~~ Term of initial and reinstated individual license((s in effect?)). (1) Initial and reinstated individual licenses are valid from ((the)) their date of issuance until the date of the licensee's next birthday anniversary plus one year. Additional licenses issued to the same active licensee will be on the same renewal cycle as the first license issued to that licensee.

(2) The renewal date of a business entity license is based on the date of application. The license is valid for two years. Additional licenses issued to the same active licensee will be on the same renewal cycle as the first license issued to that licensee.

AMENDATORY SECTION (Amending Matter No. R 2005-06, filed 5/30/06, effective 6/30/06)

WAC 284-17-429 ~~((How long is an initial appointment valid?))~~ Appointments and affiliations of licensees. (1) An insurance producer may be appointed or affiliated:

(a) By submitting the notice of appointment or affiliation electronically through a third-party on-line licensing provider or the commissioner's on-line services, available at www.insurance.wa.gov; or

(b) By submitting the notice of appointment or affiliation to the commissioner using the form provided by the commissioner for that purpose available on the commissioner's web site at www.insurance.wa.gov.

(2) Insurance producers upon initial appointment by an insurer or upon initial affiliation by a business entity must be authorized to transact at least one line of authority within the authority of the insurer or the business entity.

(3) Initial appointments and affiliations are ((valid for the period ending with the insurer's first appointment renewal date after the initial issue date of the appointment. The appointment renewal date for the insurer is assigned by the commissioner)) continuous. Each appointment or affiliation is effective until the insurance producer's license is revoked, terminated, or nonrenewed; the appointment or affiliation renewal fee is not paid; or written notice of termination is received by the commissioner, whichever occurs first.

(4) The insurer is obligated to ensure that its appointed insurance producers are licensed for the proper line of authority for which the insurance producer submits an application for insurance.

(5) Individual surplus line brokers may be affiliated with a

business entity possessing a surplus line broker license in the manner set forth in subsection (1) of this section.

(6) Business entities are obligated to ensure that all affiliated insurance producers for the proper line of authority for which the insurance producer submits an application for insurance and that surplus line brokers are properly licensed.

(7) The applicable initial and renewal appointment and affiliation fees, as set forth in RCW 48.14.010, must be paid at the time of appointment, affiliation, or their renewals.

AMENDATORY SECTION (Amending Matter No. R 2005-06, filed 5/30/06, effective 6/30/06)

WAC 284-17-435 ~~((How will the commissioner notify an insurer that an agent has been appointed?))~~ **Notification of appointments and affiliations.** The commissioner will confirm the ((agent's)) licensee's appointment or affiliation by sending ((written notice)) an electronic message to the insurer or business entity within fifteen ((calendar)) days after ((receipt of the appointment by the commissioner)) the commissioner receives the notice from an insurer or business entity. If an insurer or business entity is not registered with the commissioner's on-line services, notice will be sent to the address of record.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-439 **Notice that ((an agent)) a licensee is not eligible for an electronic appointment or affiliation.** A licensee is not eligible for an appointment or affiliation if the license is not valid or the person is not licensed for at least one line of authority within the authority of the appointing insurer or affiliating business entity. If ((an agent)) a licensee is not eligible for an electronic appointment or affiliation, the insurer or business entity will be notified at the time the electronic notice of appointment or affiliation is not accepted for transmission through ((NIPR)) the third-party on-line licensing provider or the commissioner's web site. ((An agent is not eligible for an appointment if the agent's license is not valid or the agent is not licensed for all lines of insurance that the appointing insurer is authorized to transact in the state of Washington.))

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-443 Renewal ((of)) fee for an ((agent's)) appointment or affiliation. ~~((Prior to the renewal date of an agent's))~~ **(1) Insurer and business entities that are not registered with the commissioner's on-line services.**

~~(a) At least forty-five days prior to the renewal date, an appointment((, the commissioner will send)) or affiliation list will be sent to the insurer ((an appointment renewal notification. An insurer may renew an appointment by:~~

~~(1) Sending notice to the commissioner that the appointment will be renewed on the form provided by the commissioner for that purpose or through the commissioner's web site (www.insurance.wa.gov); and~~

~~(2) Paying the renewal fee for each agent appointed by the insurer no later than the renewal date assigned by the commissioner)) or business entity identifying all of the licensees appointed by or affiliated with the insurer or business entity whose appointments or affiliations are due to expire.~~

~~(b) The insurer or business entity must verify that the list is accurate, make any changes, and return the list with the correct fees to the commissioner.~~

~~(c) The verified and corrected list and fees are due to the commissioner no later than the renewal date.~~

(2) Insurer and business entities that are registered with the commissioner's on-line services.

~~(a) At least sixty days prior to the renewal date, an appointment or affiliation renewal fee notice will be sent to the insurer or business entity electronically.~~

~~(b) The insurer or business entity may review the on-line list of appointees or affiliates, make any changes and must remit the correct fees to the commissioner.~~

~~(c) The on-line appointment or affiliation renewal and payment of fees must be completed no later than the renewal date.~~

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-445 Termination of an appointment or affiliation by an insurer or business entity. **(1) An insurer or business entity may terminate an appointment or affiliation of an insurance producer or surplus line broker through the commissioner's web site if the insurer or business entity is registered for on-line services by sending written notice of termination to the ((agent and by sending a notice of termination of the appointment to)) insurance producer or surplus line broker with a copy to the commissioner ((electronically)), or through ((NIPR, the**

~~commissioner's web site, or on the form provided by the commissioner for that purpose)) a third-party on-line licensing provider. ((The)) A form ((may be obtained upon request or may be found)) for that purpose is available on the commissioner's web site ((+)) at www.insurance.wa.gov((+)).~~

(2) The effective date of the termination is the date of receipt by the commissioner.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-449 ((Terminating an appointment)) Termination of an affiliation ((^))for cause.((^)) ~~((+1)) If ((an insurer)) a business entity or its authorized representative terminates the ((appointment)) affiliation of an ((agent-^)) insurance producer or surplus line broker for cause,((^)) the ((insurer must notify the insurance)) commissioner must receive notice of that termination by mail or electronic facsimile within thirty days following the effective date of the termination ((by sending notice of the "for cause" termination to the commissioner)).~~

(1) A form for this purpose is available on the commissioner's web site ((+)) at www.insurance.wa.gov((+)).

(2) ~~((If requested by the commissioner, the insurer must provide additional information, documents, records or other data pertaining to the "for cause" termination or activity of the agent.~~

~~(3) "For cause" includes the following conduct:~~

~~(a) Providing incorrect, misleading, incomplete or materially untrue information in the license application;~~

~~(b) Violating any insurance law, or violating any regulation, subpoena or order of the commissioner or of another state's insurance commissioner;~~

~~(c) Obtaining or attempting to obtain a license through misrepresentation or fraud;~~

~~(d) Improperly withholding, misappropriating or converting any moneys or properties received in the course of transacting the business of insurance;~~

~~(e) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;~~

~~(f) Having been convicted of a felony;~~

~~(g) Having admitted or been found to have committed any insurance unfair trade practice or fraud;~~

~~(h) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;~~

~~(i) Having an insurance license denied, suspended or revoked in any other state, province, district or territory;~~

~~(j) Forging another's name to an application for insurance or~~

~~to any document related to an insurance transaction;~~

~~(k) Knowingly accepting insurance business from an individual who is not licensed;~~

~~(l) Being incompetent;~~

~~(m) Failing to account for premiums;~~

~~(n) Rebating; and~~

~~(o) Abandonment.)) Upon the request of the commissioner, additional information, documents, records or other data pertaining to the for-cause termination or activity of a licensee's affiliation must be provided promptly to the commissioner.~~

(3) The reasons an insurance producer may be terminated for cause are set forth in RCW 48.17.530 and 48.17.595. The reasons a surplus line broker may be terminated for cause are set forth in RCW 48.15.140.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-467 Consequences--((Agent)) Insurance producers not eligible for appointment by the insurer. If an ((agent)) insurance producer solicits insurance on behalf of an insurer, as authorized by ((WAC 284-17-457)) RCW 48.17.160, but it is later determined that the ((agent)) insurance producer was not eligible for appointment by the insurer:

(1) The insurance contract will be effective;

(2) The ((agent)) insurance producer must not receive compensation for any insurance product sold by the ((agent)) insurance producer; and

(3) The ((agent)) insurance producer and the insurer may be subject to disciplinary action under RCW 48.17.530.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-473 ((("))Affiliation((," defined--Procedures for affiliation, renewal)) requirements. ((("Affiliation" is a type of appointment where a business entity authorizes one or more individual licensed agents, brokers, surplus line brokers or adjusters to represent the business entity. An affiliated licensee may exercise only the authority the business entity confers. The commissioner must receive notice of an affiliation and accept the affiliation before the licensee is allowed to represent the business entity.

((1)) Individual licensees that represent a business entity or

act on its behalf must be affiliated with the licensed business entity. A business entity must have at least one affiliated individual licensee in order to transact insurance business. Each business entity must ~~((submit to))~~ provide the commissioner ~~((a notice of affiliation for))~~ with the names of all individual licensees authorized to represent the business entity and act on its behalf~~((A))~~ using the form ~~((is))~~ provided by the commissioner for that purpose ~~((which can be obtained upon request or found on))~~ and paying the applicable fees, or by using the on-line services available through the commissioner's web site ~~((+))~~ at www.insurance.wa.gov~~((+))~~.

~~((2) A licensed business entity must have at least one affiliated individual licensee.~~

~~(3) If an agent is affiliated with a licensed business entity, the agent is not required to be directly appointed by an insurer to sell its products if the business entity is appointed by the insurer.~~

~~(4) The affiliated agent's, broker's, or surplus line broker's authority to act as a representative of a business entity is limited to those lines of authority for which the agent, broker, or surplus line broker is qualified and that are consistent with the business entity's lines of authority.~~

~~(5) If an agent, broker, surplus line broker, or adjuster cannot be affiliated electronically, the commissioner will notify the business entity that the licensee is not eligible for affiliation. A licensee cannot be affiliated under the following circumstances:~~

~~(a) The person's license is not valid;~~

~~(b) The agent, broker, or surplus line broker is not licensed for at least one of the lines or limited lines of authority that the business entity is authorized to transact in this state; or~~

~~(c) The agent is not licensed for at least one of the lines or limited lines of authority of the business entity's appointing insurers.~~

~~(6)(a) At the time of renewal of a business entity license, a renewal affiliation list will be sent to the business entity listing the affiliated agents, brokers, surplus line brokers, or adjusters whose affiliations are due to expire.~~

~~(b) A business entity may renew an affiliation by sending a list of affiliations to be renewed to the commissioner and paying the renewal fees by mail or through the commissioner's web site (www.insurance.wa.gov:-))~~

NEW SECTION

WAC 284-17-476 License requirements for business entity affiliations. If an individual insurance producer is affiliated with a business entity, the insurance producer is not required to

be directly appointed by the insurer.

(1) The individual insurance producer's authority to transact insurance is limited to those lines of authority for which the insurance producer is licensed and that are within the business entity's lines of authority.

(2) When an insurance producer places business with an insurer that has appointed the business entity with which the insurance producer is affiliated, the insurance producer is deemed to be placing business with an insurer with which the insurance producer holds an appointment for the purpose of the bonding requirements set out in RCW 48.17.250.

AMENDATORY SECTION (Amending Matter No. R 2008-03, filed 8/18/08, effective 9/18/08)

WAC 284-17-483 Termination of an appointment or affiliation by ((a licensee)) an insurance producer. (1) An ((individual agent)) insurance producer or surplus line broker may terminate ((an)) its appointment or affiliation with ((a)) an insurer or business entity by sending advance written notice to the insurer or business entity, with a copy to the commissioner. ((The notice must state that the agent is no longer authorized to act on behalf of the business entity.))

(2) The notice must state that the insurance producer or surplus line broker will no longer transact insurance on behalf of the business entity, as the case may be.

(3) The effective date of the termination is the date of receipt by the commissioner.

NEW SECTION

WAC 284-17-490 Late renewal or reinstatement. If a request for renewal of a license is received by the commissioner after its due date, the licensee must not transact insurance under the license until the renewal or reinstatement is completed.

(1) As a precondition to late renewal or reinstatement of a license, payment of the following late fees, as set forth in RCW 48.17.170 (6) and (7), is required:

Days Late	Surcharge
First 30 days late	50% of the license renewal fee
31-60 days late	100% of the license renewal fee

Days Late	Surcharge
61 days to twelve months late	200% of the license renewal fee

(2) If no request for late renewal is received by the commissioner within sixty days after expiration of a license, the license and all associated appointments and affiliations will be terminated. All authority conferred by the license ends on its expiration date.

(3) If a license is expired for more than sixty days but less than twelve months, a licensee may request its reinstatement. A license is not eligible for reinstatement if the reinstatement application is received by the commissioner more than twelve months after its expiration date.

(4)(a) A licensee may request reinstatement of a license without retesting if no more than twelve months has passed since the expiration or cancellation date of the license, whichever is earlier. All of the following must accompany the request for reinstatement:

- (i) A completed application for reinstatement;
- (ii) Certificates for twenty-four credit hours of continuing insurance education, including three hours of ethics education, completed during the twenty-four months prior to the date of application for reinstatement, as set forth in WAC 284-17-224; and
- (iii) The fee and surcharge applicable to the reinstatement, as set forth in subsection (1) of this section.

(b) After twelve months, the licensee must retake and pass all applicable prelicensing insurance education courses and the applicable license examinations. A new license application, including fingerprint card, and all required fees are also required. A new fingerprint card is not required if the licensee has other active licenses or held another license during the past year.

(5)(a) If a licensee cancels a license prior to its renewal date and later asks that it be reissued and the request to reissue is submitted prior to the license renewal date, the licensee must submit an application and must pay the applicable fee prior to the license renewal date.

(b) If a licensee cancels a license prior to its renewal date and a request to reissue the license is made after the license renewal date but before twelve months after the date the license was canceled, the request to reissue will be treated as though it were a late renewal or reinstatement and the late fee will be calculated from the cancellation date.

(c) If the request to reissue is made more than twelve months after the license renewal date, it cannot be reissued.

(d) The renewal date of any reissued license will be on the same renewal cycle as the original license.

(6) Information regarding renewal or reinstatement of a license and the necessary forms are available at the commissioner's web site at www.insurance.wa.gov.

(7) License renewals and reinstatements may be submitted by

licensees that are registered with the commissioner's on-line services through the web site at www.insurance.wa.gov.

((PRELICENSE)) PRELICENSING INSURANCE EDUCATION

AMENDATORY SECTION (Amending Order R 89-8, filed 6/29/89)

WAC 284-17-505 Definitions. As used in WAC 284-17-505 through ~~((284-17-565))~~ 284-17-580, the ~~((following))~~ terms below have the following meaning~~((s indicated))~~ unless the context clearly requires otherwise:

(1) "Approved ~~((prelicense))~~ prelicensing insurance education provider" ~~((or "provider"))~~ means ~~((any insurer, professional association, educational institution created by Washington statutes or vocational school licensed under Title 28C RCW, or independent contractor,))~~ a provider to which the commissioner has granted authority to conduct and certify completion of an approved course satisfying the prelicensing insurance education requirements of ~~((RCW 48.17.150))~~ this state.

(2) "Approved course" means a series of seminars, classes, or lectures meeting the requirements of WAC 284-17-517 and 284-17-550 ~~((7))~~, covering the prescribed ~~((curricula of WAC 284-17-551 and the applicable section(s) of WAC 284-17-552 through 284-17-555))~~ course of study. A course is approved only ~~((for offering by an approved provider, while))~~ if when offered it will be supervised by an approved program director, and presented by or under the supervision of an approved instructor, according to the applicable section of either WAC 284-17-540 or 284-17-545.

(3) ~~((a))~~ "Instructor" means a person meeting the requirements of WAC 284-17-537.

~~((b))~~ "Student" means ~~an individual taking the prelicense education course that is required as a prerequisite to admission to the life, disability, property, or casualty resident insurance agent's license examination.))~~

(4) "Curriculum" ~~((or "curricula"))~~ means the ~~((topics))~~ course of study prescribed for ~~((prelicense))~~ prelicensing insurance education by the commissioner ~~((at WAC 284-17-551 through 284-17-555, concerning the)), covering personal lines, life, disability, property~~ ~~((, and))~~ or ~~casualty lines of~~ ~~((insurance))~~ authority, and ~~((including the))~~ Washington insurance ~~((statutes))~~ laws and ~~((regulations curriculum))~~ rules.

(5) "Independent testing service" means the entity having a contract with ~~((which))~~ the commissioner ~~((has contracted))~~ to develop, administer, and score ~~((license))~~ prelicensing insurance

examinations.

(6) (~~"Insurer" means an insurance company, health care service contractor, or health maintenance organization authorized to conduct business in Washington under RCW 48.05.030, 48.44.015, or 48.46.027, respectively.~~) "Independent provider" means an insurance education provider that is not an insurer or affiliated with an insurer.

(7) "Provider" or "prelicensing insurance education provider" means any insurer, health care service contractor, health maintenance organization, professional association, educational institution, vocational school, or independent contractor authorized by the commissioner to conduct and certify completion of prelicensing insurance education courses.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-510 ((Prelicense)) Prelicensing insurance education requirement. (1) Unless (~~exempted~~) waived by the commissioner under WAC 284-17-515, as a prerequisite to admission to the examination, an applicant for a resident(~~'s~~) insurance producer license ((as a)) for personal lines, life, disability, property((7)) or casualty ((insurance agent or solicitor)) line of authority must complete ((the following education requirements as a prerequisite to admission to the examination:

Complete four)) twenty hours of ((instruction relating to)) prelicensing insurance education for each major line of authority for which the applicant will be tested. Each course must include training on Washington((s general statutes)) insurance laws and ((regulations governing the sale of)) rules applicable to that line of authority and general insurance((, and sixteen hours of instruction relating to the specific line of:

(a) Life insurance, if the applicant is seeking to be licensed as a life insurance agent or solicitor; or

(b) Disability insurance, if the applicant is seeking to be licensed as a disability insurance agent or solicitor; or

(c) Casualty insurance, if the applicant is seeking to be licensed as a casualty insurance agent or solicitor; or

(d) Property insurance, if the applicant is seeking to be licensed as a property insurance agent or solicitor)) laws and rules.

(2) (~~An applicant planning to undergo examination for more than one major line need not repeat the four hours' instruction on general statutes and regulations.~~

(3)) The prescribed curriculum for ((a particular,)) each line of authority to be tested and the ((prescribed curriculum for the)) related insurance ((statutes)) laws and ((regulations)) rules, must be successfully completed within the twelve-month period immediately preceding the examination.

AMENDATORY SECTION (Amending Order R 91-2, filed 6/3/91, effective 7/4/91)

WAC 284-17-515 Waiver of the ((prelicense)) prelicensing insurance education requirement--Equivalent education. Any person ~~((with documented insurance education or licensed experience that meets or exceeds the requirements of subsections (1) or (2) of this section as applicable,))~~ may file a ~~((written))~~ petition with the commissioner for a waiver of the ~~((prelicense))~~ prelicensing insurance education requirement ~~((. Any person who believes that a prelicense education course is unavailable to her or him may file a written petition with the commissioner for permission to undertake self-study in accordance with provisions of subsection (3) of this section))~~ upon completion of equivalent education.

(1) ~~((Equivalent education.))~~ A ~~((written))~~ waiver ~~((7))~~ based on a documentation of equivalent insurance education ~~((7))~~ may be granted by the commissioner in lieu of the certificate of completion ~~((for the purpose of complying with))~~ of the ((prelicense)) required prelicensing insurance education ((requirement, provided that)) if the ((insurance education)) course of study was completed within the twelve months immediately preceding the date of the petition for waiver((7)) and the petitioner demonstrates to the satisfaction of the commissioner that the ((materials and/or classes required to complete such insurance)) education meets or exceeds the curriculum ((prescribed by WAC 284-17-552 through 284-17-555)) required for ((each)) the applicable line of authority.

~~((a) An equivalent education in insurance may be demonstrated by a course syllabus and the student's transcript from an accredited college, university, or a course of study recognized as a mark of distinction by the insurance industry and deemed by the commissioner to be fully qualified and competent.~~

~~((b))~~ (2) Persons successfully completing the following insurance professional designations are deemed to have completed the required prelicensing education requirements and will be issued a waiver of the prelicensing insurance education requirements:

(a) Life insurance: CEBS, ChFC, CIC, CFP, CLU, FLMI, and LUTCF;

(b) Disability insurance: RHU, CEBS, REBC, and HIA; and

(c) Property or casualty insurance: AAI, ARM, CIC, and CPCU.

(3) Except as provided in subsection (2) of this section, the commissioner retains the discretion to determine whether a petitioner has presented sufficient evidence ((that her or his "u)) of equivalent(("u)) education and merits a waiver of the ((prelicense)) prelicensing insurance education requirement.

~~((c) Prior to the petitioner's participation in the insurance agent's license examination,))~~ (4) The petition must be submitted

and the commissioner's written waiver of prelicensing insurance education must ~~((be))~~ have been issued before the petitioner will be admitted to the insurance licensing examination.

~~((d) A waiver is valid for twelve months from the date signed by the commissioner. A waiver of the applicable insurance line curriculum requirement is not a waiver of the insurance statutes and regulations curriculum requirement, or of any other requirement prescribed by the commissioner for insurance license examination eligibility.~~

~~(2) **Licensed experience.** A written waiver from the prelicense education requirement for life, disability, casualty, or property insurance as defined respectively by WAC 284-17-552, 284-17-553, 284-17-554, or 284-17-555 may be granted by the commissioner to any person who can demonstrate that (a) he or she has been licensed within the previous ninety days for the same line or lines of insurance in another state and that (b) he or she was licensed continuously for at least two years. Such waiver is not a waiver of Washington's statutes and regulations curriculum as defined in WAC 284-17-551.~~

~~(3) **Unavailability.** Any person who believes that a prelicense education course is unavailable to her or him may file a written petition with the commissioner for permission to undertake self-study. Written permission to undertake self-study of the prelicense education curricula, based on a showing of the unavailability of an approved prelicense education course, may be granted by the commissioner provided that the petition shall specify in detail the reasons why a prelicense education course for the identified line of insurance is unavailable, and shall identify with particularity the materials to be used to study the prescribed curricula.~~

~~The petitioner shall demonstrate that the materials cover the curriculum prescribed for Washington insurance statutes and regulations as well as the curriculum prescribed for that line.~~

~~(a) The commissioner retains the discretion to determine whether the petitioner has presented sufficient cause to justify a grant of permission to self-study the prelicense curriculum.~~

~~(b) If the commissioner grants permission to self-study, such study must be completed within twelve months of the grant. Upon completion of study, the petitioner shall present to the commissioner a certified statement in which the self-study materials that have been utilized are identified, and in which the amount of time spent in study is clearly recorded by dates and clock times as covering at least the prelicense education hour requirement.~~

~~(c) Upon the petitioner's satisfactory completion of the approved program of self-study, the commissioner will issue a certificate of completion of approved self-study.))~~

NEW SECTION

WAC 284-17-516 Home self-study--Candidate, course materials and approved providers. (1) A candidate for an insurance producer license examination that undertakes home self-study in lieu of attending a lecture class or proctored self-study, must contact an approved prelicensing insurance education provider to purchase the required course materials.

(2) A list of approved prelicensing insurance education providers is available on the commissioner's web site at www.insurance.wa.gov.

(3) The candidate must complete all prelicensing insurance education requirements set forth in WAC 284-17-510.

(4) After completion of the program of home self-study, the petitioner must provide verification of completion of each course to the prelicensing insurance education provider before the provider can issue a certificate of completion. A certificate of completion is required before the candidate will be admitted to the insurance licensing examination.

(5) The prelicensing insurance education provider must keep accurate purchase and completion rosters of all students participating in home self-study.

(6) "Home self-study" means a form of study using course materials approved by the commissioner and completed away from an insurance school and a course other than a lecture or classroom course. It includes approved internet-based on-line courses accessed from a home computer. The course materials may include textbooks, CDs or reading material accessed on-line from the insurance school's web site.

NEW SECTION

WAC 284-17-517 Home self-study--Materials, course standards.

(1) Home self-study course materials must be approved by the commissioner before being used by a prelicensing insurance education provider or offered to a candidate for purchase or use.

(2) To qualify for the commissioner's approval, the prelicensing insurance education provider must demonstrate to the commissioner's satisfaction that the study materials for each course include all prescribed curriculum specified in the examination content outline of the candidate handbook for the particular line of authority.

(3) Each course must be divided into individual lessons covering the prescribed curriculum. The table of contents of the materials must include all of the examination content outline topics as published in the candidate handbook. Each course must cover all required content and must be designed so that a candidate will complete twenty hours of study per line of authority.

(4) Approved prelicensing education providers must apply to the commissioner for amendment to the course approval if there is a change in the content of the study material other than changes made to conform the study materials to modifications of the candidate handbook examination content outline.

(5) Prior to implementation of any change, the prelicensing insurance education provider must advise the commissioner if it makes any change to its course tuition charge or to its rebate policy.

(6) The candidate handbook is available through the commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Order R 89-8, filed 6/29/89)

WAC 284-17-520 ~~((When prelicense education requirement must be met.))~~ Certificates of completion required for admittance to licensing exam--Passing score report must be provided to the commissioner. The requirements of WAC 284-17-505 through 284-17-520 apply to all persons taking an ~~((agent's))~~ insurance license examination ~~((, conducted on or after November 1, 1989))~~.

(1) ~~((Any))~~ In order to be admitted to the examination, an applicant ((seeking)) for a resident((-s)) license ((as a)) with a personal lines, life, disability, property((,)) or casualty ((insurance agent or solicitor in the state of Washington who appears at an examination site)) line of authority must present certificates of completion of the ((requisite)) required number of hours of approved ((prelicense)) prelicensing insurance education((,)) or a written waiver ((of the applicable line curriculum and a certificate of completion of the statutes and regulations curriculum, to be allowed access to the examination)).

(2) ~~((Any))~~ The commissioner will issue a license after the applicant ((who receives a passing score on the licensing examination must include validated certificates of completion of the approved prelicense education, or a written waiver of the applicable line curriculum requirement, along with)) provides the passing score report, all other required license application documents, ((to be issued the license)) and the proper fee.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-530 Requirements applicable to all ((prelicense)) prelicensing insurance education providers. ~~((This section applies to all persons offering life, disability, property, or casualty insurance prelicense education, for purposes of satisfying the~~

~~education requirements prescribed by the commissioner at WAC 284-17-505 through 284-17-520 for insurance license applicants.~~

~~(1) Persons seeking authority to conduct an approved course for life, disability, property, or casualty insurance shall obtain the written approval from the commissioner prior to the commencement of any such course. No course may be advertised as approved until the provider has obtained in writing all approvals required from the commissioner.~~

~~(a) The request for approval must include all information, disclosures, statements, and certifications required by the commissioner, on the prescribed forms.~~

~~(b) Course materials must be submitted to the commissioner with references to the provisions of the prescribed curricula. Provided, however, That the commissioner may waive submission of materials that were approved within the previous twelve months, if references to the prescribed curriculum are drawn in sufficient detail. The provider shall submit a request for approval only for those courses that satisfy the requirements of WAC 284-17-550, 284-17-551, and the applicable sections of WAC 284-17-552 through 284-17-555.~~

~~(c) The provider must disclose the tuition to be charged for each proposed course.~~

~~(i) Disclosure to the office of insurance commissioner of the total tuition to be charged for all course offerings shall be made in the request for provider approval.~~

~~(ii) The provider must disclose to each student at the time of enrollment the amount of the course tuition to be paid, to persons other than the provider's full-time employees, as compensation for referring students to the provider.~~

~~(iii) The provider must comply with the enrollment procedures set out at WAC 490-800-060 by the Washington state board for vocational education.~~

~~(2) The commissioner will look to the provider to maintain the integrity of the training system. The provider shall be responsible for its employees' conduct, and shall be subject to disciplinary action for its employees' failure to comply with chapter 284-17 WAC. As a condition of approval, therefore:~~

~~(a) The provider must retain all student enrollment and performance data, personnel records, and course materials and student evaluations of each course, available for the commissioner's review, for three years.~~

~~(b) The provider must identify its proposed program director, and must certify, upon conclusion of a competent background investigation, that its program director's qualifications meet or exceed the requirements at WAC 284-17-535, including that the program director has been determined to be trustworthy.~~

~~(i) The commissioner's approval of a program director is valid for a period of twelve months from the most recent provider approval date.~~

~~(ii) The provider must apply to the commissioner for amended approval at least ten calendar days before instituting a change of program director.~~

~~(iii) The provider must continually monitor its program director's supervision of instruction, and must immediately remove the program director if he or she violates any statute or regulation pertaining to insurance sales or licensing then in effect.~~

~~(c) The provider must identify its proposed instructor(s), and must certify, upon conclusion of a competent background investigation, that each instructor's qualifications meet or exceed the requirements at WAC 284-17-537, including that each instructor has been determined to be trustworthy.~~

~~(i) The commissioner's approval of each instructor is valid for a period of twelve months from the most recent provider approval date.~~

~~(ii) The provider must apply to the commissioner for amended approval at least ten calendar days before instituting a change of instructors, except in the case of an instructor vacancy created by an emergency as defined by WAC 284-17-535 (3)(a)(i).~~

~~(3) After due investigation and consideration, the commissioner may grant approval of the provider upon a showing that the provider has satisfied all the requirements of WAC 284-17-530 through 284-17-539, 284-17-540 or 284-17-545, and 284-17-550.~~

~~(4) Provider approval is valid for a period of twelve months from the initial approval date. To retain such approval, approved prelicense education providers must:~~

~~(a) Post in a conspicuous location at the prelicense education site, the procedures for applying for an insurance agent's or solicitor's license, including all preexamination qualifications and a notice of prohibited examination behavior in the standard form prescribed by the commissioner.~~

~~(b) Apply to the commissioner for amended provider approval at least ten calendar days prior to instituting any change of its owner or executive officer or of its program director. Amended approval, if granted, is valid only until the original provider approval expiration date.~~

~~(c) Report to the commissioner, by the fifteenth day of each month, the name of each student receiving a certificate of completion for each approved course offered during the previous calendar month.~~

~~(d) Permit the commissioner or the commissioner's designees to conduct unannounced audits of any of the provider's approved courses, for purposes of monitoring the provider's continued compliance with WAC 284-17-530 through 284-17-565.~~

~~(e) Immediately produce, upon request of the commissioner or the commissioner's designee, a true and complete copy of the provider's instructional plan for each approved course.~~

~~(f) Post in a conspicuous location at the prelicense education site, the tuition for each approved course, and if applicable:~~

~~(i) The full text of any referral/rebate policy;~~

~~(ii) The specific dollar amount of course tuition which is payable, to each person other than the provider's full-time employees, as compensation for referring students to the provider;~~

~~(iii) The name(s) of the person(s) to whom referral fees are~~

paid.

~~(g) Any approved provider that has a referral fee/tuition rebate plan must provide a written copy of the agreement to each referred student at the time of her or his enrollment. The copy must contain:~~

~~(i) The full text of any referral/rebate policy;~~

~~(ii) The specific dollar amount of course tuition which is payable, to each person other than the provider's full-time employee, as compensation for referring students to the provider;~~

~~(iii) The name(s) of the person(s) to whom referral fees are paid.~~

~~(5) The provider must notify the commissioner, in writing, of the provider's intent to terminate its prelicense education program at least ten calendar days prior to the termination.~~

~~(a) If the commissioner sends a written inquiry by certified mail, the provider must respond within ten calendar days.~~

~~(b) Failure to notify the commissioner of a course termination, or to respond to a written inquiry, within the specified time limits will result in immediate loss of provider approval, and shall be so noted upon the record.~~

~~(6) The provider must give at least ten calendar days' notice to the commissioner of the provider's intent to change the tuition amount or the rebating policy, or to initiate a rebating policy with a person other than the provider's full-time employee.~~

~~(7) It shall be unlawful for any prelicense education provider to use license examination performance data for advertising or promotional purposes.~~

~~(8) It shall be unlawful for any prelicense education provider to use any name that implies or suggests that the provider is affiliated with either the office of insurance commissioner or with the independent testing service that conducts the examination, or to use any name that implies or suggests that the provider is the only person authorized to provide prelicense education in the state of Washington.)~~ This section applies to all persons seeking to be approved by the commissioner to act as prelicensing insurance education providers.

(1) Approval to act as prelicensing education providers. Persons seeking to be approved as prelicensing insurance education providers must obtain the written approval of the commissioner prior to offering any prelicensing insurance education course for credit.

(a) Requests for approval must include all information, disclosures, statements and certifications required by the commissioner. An approved form for this purpose is available on the commissioner's web site at www.insurance.wa.gov.

(b) The provider must comply with the standards for licensing and regulating this state's private vocational schools, but need not be actually licensed as a private vocational school.

(c) The commissioner may grant approval of the prelicensing insurance education provider upon a showing that the provider has satisfied all requirements of this chapter.

(d) Approval of a prelicensing education provider is valid for

a period of twelve months.

(2) Approval of the prelicensing insurance education provider's program director.

(a) The prelicensing insurance education provider must identify its proposed program director, must complete a background investigation of that person, must certify that the qualifications of the proposed program director meet or exceed the requirements of WAC 284-17-535 and must verify that the proposed program director is trustworthy.

(b) The commissioner's approval of the program director is valid for twelve months.

(c) The provider must certify on its annual renewal notice that the approved individual continues to act as its program director.

(d) The provider must apply for an amendment to its approval at least ten days before changing its program director, unless the change is required due to an emergency.

(e) The commissioner retains discretion to determine whether the qualifications of each proposed program director meet the minimum scholastic and professional criteria required for approval.

(3) Approval of the provider's instructors.

(a) The provider must identify each proposed instructor, conduct a background investigation of each individual, certify that each proposed instructor's qualifications meet or exceed the requirements in WAC 284-17-537, and verify that each proposed instructor is trustworthy.

(b) Approval of each instructor is valid until the next renewal date of the prelicensing education provider.

(c) The provider must state on its annual renewal notice whether each individual continues to act as its instructor.

(d) The provider must apply to the commissioner for amended approval at least ten days before adding a new instructor, except if an instructor vacancy is created by an emergency.

(e) The commissioner retains discretion to determine whether the qualifications of each proposed instructor meet the minimum scholastic and professional criteria required for approval.

(4) Approval of courses.

(a) Course materials must be submitted to the commissioner prior to use.

(b) The provider must provide all of the following information to the commissioner with its request for course approval:

(i) The total tuition to be charged to students; and

(ii) The provider's referral and rebate policy.

(c) No course may be advertised until the provider has been finally approved by the commissioner in writing.

(5) Duties of approved providers. Throughout any period of approval to act as a prelicensing insurance education provider, the provider must:

(a) Retain all student enrollment and performance data, personnel records, and copies of course materials and student evaluations for each course and make them available to the commissioner upon request;

(b) Continually monitor its program director's supervision of instruction;

(c) Immediately remove the program director if that individual violates any law or rule related to insurance;

(d) Apply for amended approval to act as a provider at least ten days prior to a change of ownership, the executive officer, or of the program director. Amended approval, if granted, is valid only until the original provider approval expiration date;

(e) Report to the commissioner by the fifteenth day of each month the name of each student receiving a certificate of completion for each approved course offered during the previous calendar month;

(f) Permit the commissioner or the commissioner's designee to conduct unannounced audits of any approved course in order to monitor the provider's continuing compliance with WAC 284-17-530 through 284-17-580;

(g) Provide a true and complete copy of the provider's instructional plan for each approved course, upon request;

(h) Notify the commissioner if it intends to terminate its prelicensing education program at least thirty days prior to the date of termination;

(i) Notify the commissioner at least ten days in advance of its intent to change the tuition amount, the referral or rebate policy, or initiate a referral or rebate policy with a person other than a full-time employee of the provider.

(6) **Provider advertising and name.** A provider must not:

(a) Use license examination performance data for advertising or promotional purposes; or

(b) Use any name that implies or suggests that the provider is affiliated with either the commissioner or with the independent testing service that conducts the examination.

(7) **Renewal requirements for all providers.**

(a) At the time of renewal all providers must provide all of the following information:

(i) List of prelicensing education courses currently offered and the tuition for each and verify that the course curricula meet the requirements of WAC 284-17-550;

(ii) A description of the instruction method used for each course, lecture, proctored self-study, or home self-study;

(iii) List of all active instructors and verify that each has complied with the requirements of WAC 284-17-537;

(iv) Verify that the program director has complied with WAC 284-17-535; and

(v) Confirm the address and contact information for each business location.

(b) The commissioner may approve renewal of the prelicensing insurance education provider upon a showing that the provider has satisfied all requirements of this chapter required for renewal, including the annual renewal requirements provided in WAC 284-17-547.

(c) Detailed information related to course standards is available on the commissioner's web site at www.insurance.wa.gov.

(8) Required disclosures to students.

(a) The prelicensing insurance education provider must disclose to prospective students the total amount of tuition that will be charged for each proposed course.

(b) The provider must post in a conspicuous location at the prelicensing insurance education site a note containing all of the following:

(i) Procedures for applying for an insurance license, including all preexamination qualifications;

(ii) A notice of prohibited examination behavior; and

(iii) The tuition for each approved course.

(c) If the provider has a referral or rebate program, it must be fully disclosed to each student in writing.

(i) The disclosure must state the amount of the course tuition that will be paid to persons other than the provider's full-time employees as compensation for referring students to the provider; and

(ii) The full text of the policy must be posted, including the specific amount of tuition payable to persons other than full-time employees of the provider as compensation for referring students to the provider, and the names of any individuals to whom referral fees or rebates may be paid.

(9) Penalties.

(a) The commissioner may refuse to renew or immediately terminate a provider for the following reasons:

(i) Failure to notify the commissioner that a course will be terminated at least thirty days prior to the date of termination;

(ii) Failure to respond to an inquiry of the commissioner within the time limit specified in the inquiry.

(b) A provider is responsible for the conduct of its employees and may be subject to disciplinary action for failure of any employee to comply with the requirements of this chapter.

AMENDATORY SECTION (Amending Order R 89-9, filed 9/15/89, effective 10/16/89)

WAC 284-17-535 Program director's qualifications and responsibilities. (1) (a) A program director ~~((s necessary qualifications are:~~

~~((a)))~~ must have at least five years of teaching experience and knowledge of insurance products, principles, ((and)) laws and rules.

~~((+i)))~~ (b) Each independent prelicensing insurance education provider's program director must possess and hold in good standing a Washington ((agent's or broker's)) insurance license((-

~~((ii))~~ Each insurer provider's program director must)) and possess ((such a license or comparable)) scholastic or professional credentials ((that)) acceptable to the commissioner ((deems

~~equivalent to such a license.~~

~~((iii))~~ (c) The requirements of ~~((a)(i) and (ii) of))~~ this subsection ~~((shall))~~ do not apply to program directors employed by ~~((approved providers governed by chapters 28B.19 and 28B.50 RCW, community colleges within Washington state, or to program directors employed by vocational technical institutes))~~ community or technical colleges governed by the ~~((superintendent of public instruction and the))~~ state board ~~((of education))~~ for community and technical colleges.

~~((b) An employment))~~ (2) A program director must have a history ~~((involving))~~ of employment demonstrating administrative educational experience.

~~((c) Trustworthiness))~~ (3) A program director must be trustworthy. A program director is ~~((untrustworthy))~~ not trustworthy if he or she has violated any ~~((statute))~~ law or ~~((regulation))~~ rule pertaining to insurance~~((7))~~ or to any other regulated occupation~~((7 or))~~, has had an occupational or professional license revoked in any state((7)), or has been convicted of a crime ((evidencing lack of fitness to assume fiduciary duties)) reasonably related to his or her honesty or integrity.

~~((2) Information on))~~ (4) The program director ~~((which))~~ must ~~((be submitted to the commissioner includes the full disclosure of))~~ fully disclose to the commissioner any regulatory or legal action ~~((involving the program director's))~~ related to his or her honesty, integrity, or professional or occupational activities.

~~((3))~~ (5) A program director's responsibilities include:

(a) Conducting a ~~((competent))~~ background investigation to ascertain that each instructor is trustworthy and qualified ~~((under WAC 284-17-537 and under WAC 284-17-540 or 284-17-545 for))~~ to teach the line of ~~((insurance))~~ authority he or she has been designated to instruct~~((7))~~, except ((that)) as follows:

(i) In the event of an emergency created by the unavoidable absence of an approved instructor, the program director may appoint an interim instructor who was not previously certified and approved~~((7))~~ to complete the current course offering~~((7 however:))~~;

(ii) If it is necessary to appoint an interim instructor, the program director must immediately notify the commissioner of the nature of the emergency, the name of the interim instructor, and the date ((upon which)) the current course offering will conclude((7)); and

(iii) At the conclusion of the ~~((current))~~ affected course ~~((offering))~~ the program director and provider ~~((shall suspend operation of))~~ must not continue to offer the affected course until an approved instructor is available ~~((to conduct the classes)).~~

(b) Supervising each approved course and reviewing all completed student evaluations ~~((of the course)); and~~

(c) ~~((insuring))~~ Ensuring that instructors properly issue certificates of completion according to WAC 284-17-539 to ~~((the))~~ students at the ~~((completion))~~ end of each course.

AMENDATORY SECTION (Amending Order R 89-8, filed 6/29/89)

WAC 284-17-537 Prelicensing insurance education instructor qualifications and responsibilities. The prelicensing insurance education provider must submit the name(~~((s))~~) of each proposed prelicensing insurance education instructor to the commissioner for approval.

(1) To qualify as (~~((an))~~) a prelicensing insurance education instructor for an approved provider, each proposed instructor must:

(a) Be experienced. An instructor is experienced if he or she can demonstrate any combination of at least three years of experience instructing insurance education courses, supervising students completing self-paced insurance instructional materials, or experience as (~~((a licensed))~~) an insurance (~~((agent or broker))~~) producer.

(b) Be trustworthy. An instructor is (~~((untrustworthy))~~) not trustworthy if he or she has violated any statute or (~~((regulation))~~) rule pertaining to insurance(~~((r))~~) or to any other regulated occupation(~~((r or))~~) has had an occupational or professional license revoked in any state((r)) or has been convicted of a crime (~~((evidencing lack of fitness to assume fiduciary duties))~~) reasonably related to his or her honesty or integrity.

(c) (~~((Demonstrate competence))~~) Be competent. An instructor is competent in the line of (~~((insurance))~~) authority he or she proposes to teach if:

(i) (~~((Each independent provider's instructor must possess))~~) He or she possesses and holds in good standing a Washington (~~((agent's or broker's))~~) insurance producer license for the applicable line(s) of (~~((insurance.))~~) authority; and

(ii) (~~((Each insurer provider's instructor must possess such a))~~) He or she has a current license or provides to the satisfaction of the commissioner evidence of appropriate scholastic or professional credentials (~~((that the commissioner deems))~~) reasonably equivalent to (~~((such a))~~) an insurance license.

(2) The instructor of each approved course (~~((shall))~~) must perform all of the following instructional and administrative duties:

(a) At the beginning session of each approved course, (~~((assure))~~) ensure that each student has been properly registered.

(b) Remain on the premises whenever instruction is being offered.

(c) Ensure that the study materials (~~((utilized,))~~) incorporate the prescribed curriculum(~~((r))~~) and (~~((comply with))~~) follow the lesson plans filed with the commissioner.

(d) (~~((The instructor may))~~) Teach approved courses on a live-instruction basis((r)) or combine live instruction with the use of other instructional aids, or proctor student use of self-paced insurance instructional materials.

(e) At the conclusion of the course, distribute (~~((the standard))~~) a course evaluation form (~~((prescribed by the commissioner,))~~) to each student who (~~((has completed))~~) completes the course(~~((r))~~) and collect the completed forms.

(i) A form that can be used for evaluation of a course is available at the commissioner's web site at www.insurance.wa.gov.

(ii) A copy of each evaluation must be available to the commissioner upon request for three years after conclusion of the course.

(f) ~~((To each student who has completed the course,))~~ Issue a signed certificate of completion ~~((by signing each certificate, and thereby certify))~~ to each student who completes the course that certifies that the student actually completed the course. The certificate and signature may be in electronic form.

(g) Review course evaluations with the program director.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-539 Certificates of completion of a prelicensing insurance education course. (1) A ~~((^u))~~ certificate of completion ~~((^u))~~ in the standard form prescribed by the commissioner ~~((^u shall))~~ must be completed in its entirety, signed by the instructor, and issued by the approved ~~((prelicense))~~ prelicensing insurance education provider to each student in the student's legal name, who has satisfactorily completed an approved course.

(2) Both the student and the instructor(s) ~~((shall))~~ must certify that the course was conducted and completed according to the credit hours and curriculum required ~~((, by affixing their original signatures in the spaces provided on the certificate of completion))~~.

(3) The provider ~~((shall indicate,))~~ must include on the face of the certificate of completion ~~((,))~~ the correct codes assigned by the commissioner to each approved ~~((prelicense))~~ prelicensing insurance education provider and to each approved course.

(4) The approved ~~((prelicense))~~ prelicensing insurance education provider must issue ~~((each valid))~~ certificates of completion within ~~((twenty-four hours from))~~ two business days after the ~~((time the))~~ course ~~((was))~~ is completed.

(5) No instructor may issue a certificate of completion to herself or himself.

(6) Completion of less than the full course curriculum, or of individual classes ~~((,))~~ does not qualify ~~((for))~~ a student to receive a certificate of completion.

(7) A valid certificate of completion (or a valid waiver) for the line of ~~((insurance))~~ authority on which the student will be examined ~~((, and a certificate of completion for the statutes and regulations curriculum,))~~ must be presented to the independent testing service as a prerequisite to ~~((participating in any of the agent's))~~ taking any insurance license examination ~~((s for life, disability, property, or casualty insurance))~~.

(8) The certificate ~~((is valid))~~ of completion for the

prelicensing insurance education course will be accepted for twelve months ((from)) after the course completion date ((shown on its face)). Unless waived in accordance with RCW 48.17.175, a prelicensing insurance education course must be retaken if a student does not pass the required examination within twelve months after completion of prelicensing education.

(9) The certificate of completion and required signature may be in electronic form.

AMENDATORY SECTION (Amending Order R 89-9, filed 9/15/89, effective 10/16/89)

WAC 284-17-540 Requirements applicable to independent ((prelicense)) prelicensing insurance education providers. ((This section applies to all persons, other than insurers, offering life, disability, property, or casualty insurance courses to license applicants for purposes of satisfying the educational requirement prescribed by WAC 284-17-505 through 284-17-520.

((1) In addition to the general conditions for approval set out at WAC 284-17-530 through 284-17-539, and in addition to complying with the requirements of WAC 284-17-550, each noninsurer prelicense education provider shall:

((a) Describe any existing insurance education program:

((i) Class titles and curricula covered;

((ii) Number of students per course during previous year;

((iii) Name(s) and qualifications of instructor(s);

((iv) Name and qualifications of the person responsible for the previous program.

((b) Describe the changes necessary to bring any existing program into compliance with WAC 284-17-530 through 284-17-539, 284-17-550 and 284-17-551, and each applicable section of WAC 284-17-552 through 284-17-555.

((c) Reveal the provider's department of revenue registration number.

((2) To qualify a provider for the commissioner's approval, the provider's proposed program director must hold in good standing a valid Washington agent's or broker's license and present evidence of teaching experience, the combination to total a minimum of five consecutive years' qualifications.

((a) After November 1, 1994, the license(s) must have been held in good standing for at least five years.

((b) The requirements of this subsection shall not apply to program directors employed by community colleges governed by chapters 28B.19 and 28B.50 RCW, or to program directors employed by vocational-technical institutes governed by the superintendent of public instruction and the state board of education.

((3) To qualify a provider for the commissioner's approval, each of the provider's proposed instructors must hold in good

~~standing a valid Washington agent's or broker's license for the line(s) of insurance he or she will be instructing, and present evidence of teaching experience or experience supervising student completion of self-paced instructional materials, the combination to total a minimum of three consecutive years' qualifications. After November 1, 1992, the license(s) must have been held in good standing for at least three years.~~

~~(4) An independent provider shall establish and maintain records and an appropriate accounting system for all tuition payments received by the provider.~~

~~(a) All tuition funds received must be deposited promptly into a bank account or depository separate from any other account or depository.~~

~~(b) The accounting system used must effectively isolate the separate account from any other operating or personal accounts, and must provide an audit trail so that details underlying the summary data may be identified.~~

~~(c) The provider shall make such records available for inspection by the commissioner during regular business hours upon demand during the three years immediately after the date of the transaction.~~

~~(5) Noninsurer course providers shall have an exact physical location or locations.))~~ In addition to the requirements set forth in WAC 284-17-530, all independent providers must comply with the following additional requirements:

(1) The proposed program director must meet the standards set forth in WAC 284-17-535.

(2) The proposed instructors must be in good standing with the commissioner and must meet the standards set forth in WAC 284-17-537.

(3) All tuition funds received must be promptly deposited into an account separate from any other account or depository.

(4) The accounting system used must provide an audit trail so that details underlying the summary data can be identified.

(5) Records of tuition accounting must be available for inspection by the commissioner during regular business hours for three years after the date of the transaction.

(6) Lecture or proctored self-study courses must be offered at one or more physical locations accessible to the public within Washington.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-545 Requirements applicable to ((insurer prelicense)) insurer-based prelicensing education providers.
~~((This section applies to all admitted insurers regulated by the commissioner, and offering life, disability, property, or casualty insurance education courses to license applicants for purposes of~~

~~satisfying the educational requirements prescribed by WAC 284-17-505 through 284-17-520.~~

~~(1) In addition to the general conditions for approval set out at WAC 284-17-530 through 284-17-539, and in addition to complying with the requirements of WAC 284-17-550, each insurer applying for prelicense education provider approval must exhibit an existing, bona fide insurance education function which is supervised from the corporate level. The insurer shall:~~

~~(a) Describe the existing program:~~

~~(i) Class titles and curricula covered;~~

~~(ii) Number of students per course during previous year;~~

~~(iii) Name(s) and qualifications of instructor(s);~~

~~(iv) Name and qualifications of person responsible for the program.~~

~~(b) Describe the insurer's plan for agent development.~~

~~(c) Submit the prelicense education plan to be applied throughout Washington state.~~

~~(2) For each program director not licensed as a Washington agent or broker, the provider shall in the request for approval identify the program director's equivalent qualifications, including educational degrees or professional designations earned, and certified evidence of past insurance education and licenses held in this or other states, and identify the program director's past teaching experience.~~

~~(3) For each instructor not licensed as a Washington agent or broker in the line of insurance which is the subject of instruction, the insurer's program director shall in the request for approval identify the instructor's equivalent qualifications, including educational degrees or professional designations earned, and certified evidence of past insurance education and licenses held in this or other states.~~

~~(4) The commissioner retains discretion to determine whether the proposed instructor'(s) and the proposed program director's asserted qualifications meet the minimum scholastic and professional criteria required herein.)) In addition to the requirements set forth in WAC 284-17-530, all insurer-based providers are subject to the following additional requirements:~~

~~(1) Each course must be supervised from the insurer's corporate level.~~

~~(2) If the program director does not hold a current Washington insurance license, the insurer must provide the following to the commissioner:~~

~~(a) Description of the program director's qualifications, including educational degrees or professional designations earned;~~

~~(b) Summary of the program director's past insurance education and past teaching experience; and~~

~~(c) Evidence of past insurance education and insurance licenses held in this or other states.~~

NEW SECTION

WAC 284-17-547 Renewal--Prelicensing insurance education provider. A prelicensing insurance education provider must obtain renewal of the provider's authority, program director, instructors, and courses yearly.

AMENDATORY SECTION (Amending Order R 89-8, filed 6/29/89)

WAC 284-17-550 Prelicensing insurance education course standards. (1) No prelicensing insurance education course will be approved unless the Washington insurance statutes and ~~((regulations))~~ rules applicable to the specific line are incorporated into ~~((each specific line(s)))~~ the curriculum ~~((offered by the provider. These line specific statutes and regulations are not to be contained in the statutes and regulations curriculum of general application found at WAC 284-17-551))~~ for the line of authority.

(2) To qualify for approval, each course ~~((shall be presented under the supervision of an approved instructor, utilizing))~~ must use study materials that include all ~~((the prescribed))~~ required curriculum, ~~((and shall be presented under the general supervision of an approved prelicense education provider.~~

~~((a) Each instructor's qualifications shall be identified, according to the requirements of WAC 284-17-530 (2)(d) and 284-17-537, and 284-17-540 or 284-17-545, for approval by the commissioner.~~

~~((b) The course instructor shall be on the premises whenever instruction is being offered))~~ as set forth in the examination content outline published in the candidate handbook for each line of authority. The candidate handbook is available through the commissioner's web site at www.insurance.wa.gov.

(3) Each prelicensing insurance education course ~~((shall))~~ must be broken into individual lesson components covering the prescribed curriculum and the table of contents must include all examination content outline topics.

(a) The course may include instruction ~~((may include coverage of))~~ on related subject matter; however, ~~((such peripheral instruction must be presented in the individual lesson components))~~ any optional subject matter must be designated as supplementary and must be provided as an addition to the prescribed curriculum hours set forth in WAC 284-17-510.

(b) The provider ~~((may choose the prelicense education study materials, and shall))~~ must certify that the study materials include all of the prescribed curriculum.

(4) ~~((("Hours" are approved by the commissioner for an approved course. Each "hour" shall represent at least fifty minutes of actual instruction on a topic within the prescribed prelicense~~

~~education curriculum.~~

(5)) No prelicensing insurance education course may be represented as approved until the approved ~~((prelicense))~~ prelicensing insurance education provider has received the commissioner's written approval of the instructor and of the course.

(a) Approved ~~((prelicense))~~ prelicensing insurance education providers must apply to the commissioner for amended course approval if any of the following changes or revisions ~~((are instituted))~~ will be made before the original course approval expiration date:

(i) Change of study materials; or

(ii) Change of location ~~((; or~~

~~((iii) Change of course tuition or rebate policy))~~.

(b) Amended approval, if granted, is valid only until the original course approval expiration date.

(5) Detailed requirements of course content are available on the commissioner's web site at www.insurance.wa.gov.

AMENDATORY SECTION (Amending Order R 91-3, filed 6/3/91, effective 7/4/91)

WAC 284-17-551 ~~((Statutes and regulations curriculum))~~
Prelicensing insurance education--Candidate handbook. ~~((Every prelicense education course shall incorporate study of the:~~

~~(1) Nature of insurance:~~

~~(a) Definition of insurance; insurance transaction;~~

~~(b) Insurer;~~

~~(c) Public interest;~~

~~(d) Risk management;~~

~~(e) Law of large numbers;~~

~~(f) Indemnification.~~

~~(2) Insurance commissioner:~~

~~(a) Authority and duties;~~

~~(b) Broad powers;~~

~~(c) Rate and form filings;~~

~~(d) Examination of records;~~

~~(e) Penalties;~~

~~(f) Notice of hearing;~~

~~(g) Examinations:~~

~~(i) Insurers' financial status;~~

~~(ii) License applicant's qualifications.~~

~~(h) Hearings and appeals;~~

~~(i) Public access to records.~~

~~(3) Insurers:~~

~~(a) Definitions:~~

~~(i) Domestic, foreign, alien;~~

~~(ii) Life, disability -- stock, mutual, fraternal;~~

~~(iii) Property, casualty, vehicle, surety -- stock, mutual, reciprocal, Lloyds;~~

~~(iv) Authorized, unauthorized insurers; certificate of authority.~~

~~(b) Financial status:~~

~~(i) Mergers, insider trading;~~

~~(ii) Rehabilitation, liquidation; Washington Insurance Guaranty Associations.~~

~~(c) Insuring powers -- defining the separate lines;~~

~~(d) Assets and liabilities:~~

~~(i) Investments;~~

~~(ii) Reserves.~~

~~(e) Fees and taxes.~~

~~(4) The insurance contract:~~

~~(a) General provisions;~~

~~(b) Exclusions and limitations;~~

~~(c) Insured;~~

~~(d) Cancellation and nonrenewal;~~

~~(e) Premium;~~

~~(f) Binder.~~

~~(5) Agents, brokers, solicitors, adjusters:~~

~~(a) Company appointment or affiliation:~~

~~(i) Purpose, contractual authority, and liability;~~

~~(ii) Termination.~~

~~(b) Types of licenses:~~

~~(i) Exemptions;~~

~~(ii) Limited lines;~~

~~(iii) Temporary;~~

~~(iv) Nonresident;~~

~~(v) Authority and liability under the regulation:~~

~~(A) Solicitor;~~

~~(B) Agent;~~

~~(C) Broker;~~

~~(D) Surplus lines broker;~~

~~(E) Adjuster: Independent, public.~~

~~(6) Major lines:~~

~~(a) Life insurance;~~

~~(b) Disability insurance;~~

~~(c) Property insurance;~~

~~(d) Casualty insurance.~~

~~(7) Other lines:~~

~~(a) Vehicle insurance;~~

~~(b) Surety;~~

~~(c) Credit life and credit accident/health;~~

~~(d) Travel insurance.~~

~~(8) Penalties for noncompliance:~~

~~(a) Refusal/nonrenewal;~~

~~(b) Suspension/revocation;~~

~~(c) Fines;~~

~~(9) Maintenance and duration of license:~~

~~(a) Appointments/terminations of appointments;~~

~~(b) Renewal procedures;~~

~~(10) Licensing requirements:~~
~~(a) Purpose,~~
~~(b) Licensing procedures:~~
~~(i) Resident,~~
~~(ii) Nonresident,~~
~~(iii) Temporary license.~~
~~(c) Continuing education; renewal procedures:~~
~~(i) Penalties for misconduct,~~
~~(ii) Exemption from the licensing requirement.~~
~~(iii) Temporary license.~~
~~(11) Agent responsibilities:~~
~~(a) Recordkeeping,~~
~~(b) Reply promptly to inquiry by the commissioner; notify the commissioner of a change of address,~~
~~(c) Application completion,~~
~~(d) Policy delivery,~~
~~(e) Separate account requirement,~~
~~(f) Premium accountability,~~
~~(g) Fiduciary accountability.~~
~~(12) Compensation of licensees:~~
~~(a) Sharing commissions,~~
~~(b) Charges for extra services.~~
~~(13) Protection of public interest.~~
~~(14) Unfair practices:~~
~~(a) Advertising, comparisons, and defamation,~~
~~(b) Charges, inducements, rebating,~~
~~(c) Misrepresentation,~~
~~(d) Twisting,~~
~~(e) Illegal dealing in premiums,~~
~~(f) Illegal inducements,~~
~~(g) Failure to issue proper receipts,~~
~~(h) Unfair claims methods and trade practices,~~
~~(i) Broker's fees disclosed,~~
~~(j) Penalties,~~
~~(k) Discrimination.))~~ The prelicensing insurance education curriculum is described in the candidate handbook. The candidate handbook is incorporated by reference and its entire contents will be enforced by the commissioner. A copy of the current candidate handbook is available through the commissioner's web site at www.insurance.wa.gov.

(1) Information in the current version of the candidate handbook must be provided to each license candidate at the time of enrollment.

(2) If changes are implemented in the prescribed prelicensing education curriculum, the prelicensing insurance education provider must submit a revised course outline at least fifteen calendar days before the implementation date.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-560 Providers (~~(not approved)~~) denied approval.

The commissioner may deny approval to any (~~(prelicense)~~) prelicensing insurance education provider (~~(based upon)~~) if:

(1) (~~(Such)~~) The prelicensing insurance education provider (~~(is refusal)~~) refuses or (~~(failure)~~) fails to comply with any (~~(of the)~~) requirement(~~(s)~~) of chapter 284-17 WAC, including but not limited to the provider's employment and use of an unqualified program director or instructor; or

(2) Any owner, (~~(operator)~~) program director, or instructor(~~(, or other employee of such provider has)~~), directly or indirectly, (~~(compromised)~~) compromises or (~~(attempted)~~) attempts to compromise the integrity or security of Washington state licensing examination questions, or has induced another to do so; or

(3) Any owner, (~~(operator)~~) program director, or instructor(~~(, or other employee of such provider has been cited for noncompliance)~~):

(a) Fails to comply with any of the requirements of (~~(this chapter or chapter 284-12 WAC, or of)~~) any (~~(other)~~) statute or (~~(regulation)~~) rule pertaining to the (~~(sale)~~) transaction of insurance or to insurance education; (~~(or has been cited for violations of)~~)

(b) Violates any statute(~~(s)~~), (~~(regulations)~~) rule, or copyright(~~(s)~~) related to an examination for any occupational or professional license; or

(c) Is convicted of a crime reasonably related to his or her honesty or integrity.

AMENDATORY SECTION (Amending Order R 88-14, filed 12/16/88)

WAC 284-17-565 Suspension or revocation of approved prelicensing insurance education providers(~~(--Loss of approval)~~).

(1) The commissioner may suspend or revoke approval of any (~~(prelicense)~~) prelicensing insurance education provider based upon a finding that:

(a) Any owner, (~~(operator)~~) program director, or instructor (~~(, or other employee of such provider has)~~) failed to comply with any of the requirements of chapter 284-17 WAC, including but not limited to the failure to employ a qualified program director or instructor(s); or

(b) Any owner, (~~(operator)~~) program director, or instructor(~~(, or other employee of such provider has)~~), directly or indirectly, compromised or attempted to compromise the integrity or security of Washington state insurance licensing examination questions, or has induced another to do so; (~~(or)~~)

(c) (~~(Such)~~) The provider (~~(has)~~) failed to maintain an

effective instructional program(~~(7)~~) or (~~has~~) misrepresented the quality of the instruction provided(~~(7)~~) to the detriment of its students; or

(d) An owner, program director, or instructor is or has been convicted of a crime reasonably related to his or her honesty or integrity.

(2) The commissioner may suspend or revoke approval of any (~~prelicense~~) prelicensing insurance education provider based upon (~~such~~) a provider's failure to:

(a) Reply promptly(~~(, in writing,)~~) to an inquiry of the commissioner.

(b) Submit revised course outlines requested by the commissioner. (~~If changes are implemented in the prescribed prelicense curricula, affected providers must submit revised course outlines at least fifteen calendar days before the implementation date.~~)

(c) Make timely disclosure to the (~~office of insurance~~) commissioner and to enrolling students at the time of their enrollment (~~(of)~~) about any offer or payment of any rebate, refund, fee, commission, or discount to persons(~~(7)~~) other than the provider's full-time employees(~~(, in connection with)~~) made by the provider based on referrals of students to the provider.

NEW SECTION

WAC 284-17-572 Fee. No fee is required for applying to become a prelicensing insurance education provider or for requesting the commissioner's approval of a prelicensing insurance education course.

NEW SECTION

WAC 284-17-574 Prelicensing insurance education provider numbers. A prelicensing insurance education provider will be assigned a provider number by the commissioner. That number must be included on all correspondence related to prelicensing insurance education and on all certificates of completion.

NEW SECTION

WAC 284-17-576 Actions by a prelicensing insurance education provider that may result in a fine. The following actions by a prelicensing insurance education provider may result in a fine:

- (1) Advertising or offering a course for credit without the prior approval of the commissioner;
- (2) Failing to follow the approved course outline;
- (3) Issuing fraudulent completion certificates;
- (4) Erroneous advertising; or
- (5) Failing to comply with any statute or rule pertaining to prelicensing insurance education providers.

NEW SECTION

WAC 284-17-578 Reinstatement of approval of a prelicensing insurance education provider. (1) Reinstatement of a suspended or revoked approval may be made by the commissioner only after acceptance of satisfactory proof that the conditions responsible for the suspension or revocation have been successfully corrected and the possibility of reoccurrence of the violation has been eliminated.

- (2) Reinstatement is at the sole discretion of the commissioner.

NEW SECTION

WAC 284-17-580 Grounds for revocation or suspension of approval of a prelicensing insurance education course. (1) Approval of a prelicensing insurance education course associated with a prelicensing provider may be suspended or revoked if the commissioner concludes that any of the following has occurred:

- (a) The content of an approved course is significantly changed without notice to and prior approval from the commissioner;

- (b) A certificate of completion is issued to a person who did not complete the course;

- (c) A certificate of completion is not issued to a person who satisfactorily completed the course;

- (d) The actual instruction of the course is found by the commissioner to be inadequate; or

- (e) Within fifteen days after the date of the commissioner's request, the prelicensing insurance education provider fails to supply updated descriptions of any course, records, materials, or audit reports.

(2) Reinstatement of approval of a prelicensing insurance education provider is at the sole discretion of the commissioner and is conditioned upon receipt of satisfactory proof that the conditions responsible for the suspension have been corrected and the possibility of reoccurrence of the violation has been eliminated.

AMENDATORY SECTION (Amending Order R 90-12, filed 11/1/90, effective 1/15/91)

WAC 284-17-600 Licensing requirements for ((licensees)) insurance producers who maintain more than one place of business in the state. (1) (a) If ((an agent operates)) an individual insurance producer transacts the business of insurance out of more than one place of business in this state, in addition to complying with the requirements of RCW 48.17.450, each ((such location)) place of business must be under the charge of an individual properly licensed for the insurance transactions being conducted at the location((, and such individual)).

(b) A business entity insurance producer that maintains more than one place of business in this state must ((be)) have an individual licensed as an insurance producer physically present in ((such)) the location ((during the times such)) when the location is open for the transaction of insurance((,)) to the same extent as would be expected of ((an agent)) an insurance licensee operating at a single location.

(2) Each ((agent)) insurance producer involved in an insurance transaction must have ((the appointments)) all authority necessary for each ((such)) insurance transaction, whether by direct appointment from the insurer or by affiliation with ((an appropriately appointed agent).

((2) If an insurance agent is also licensed as an insurance broker while maintaining more than one place of business in this state, transactions in any location which require the services of a broker shall be conducted only by a properly licensed broker)) a business entity.

(3) ((A)) If a surplus line broker maintains more than one place of business in this state, transactions in any location which require the services of a surplus line broker must be conducted only by a properly licensed individual.

(4) Each failure to comply with this section ((shall be)) is an unfair practice pursuant to RCW 48.30.010((, and a violation of a regulation pursuant to RCW 48.17.530 and 48.05.140.

((4) As contemplated by RCW 48.01.060, the transaction of insurance includes solicitation, negotiations preliminary to execution, execution of an insurance contract, transaction of matters subsequent to execution of the contract and arising out of it, and insuring)).

NEW SECTION

WAC 284-17-610 Insurance producers and business entities home state. (1) An individual insurance producer may claim only one state as the home state at a time.

(a) Individual insurance producers that claim multiple states as their home state must choose one state to be their home state for all insurance licensing purposes. This will usually be the state chosen for tax reporting.

(b) Insurance producers or business entities that do not claim Washington to be their home state are Washington nonresidents for purposes of Titles 48 RCW and 284 WAC.

(2) Business entities that have a location in this state must have a resident license.

NEW SECTION

WAC 284-17-620 Loans from insurance clients--Reasonable arrangements. RCW 48.17.530 (1)(m) permits the commissioner to define certain reasonable arrangements where an insurance producer may obtain a loan from an insurance client. The commissioner finds that a reasonable arrangement exists when an insurance producer and an insurance client enter into an arms-length commercial transaction, such as for the purchase of real property, and the financial arrangement is based on fair market value.

NEW SECTION

WAC 284-17-625 Documentation of consent to remuneration in addition to a fee where insurance is purchased over the telephone or by electronic means. RCW 48.17.270(5) provides that when insurance is purchased over the telephone or by electronic means for which written consent under RCW 48.17.270(3) cannot be reasonably obtained, consent documented by the insurance producer is acceptable in lieu of the signed written disclosure required by RCW 48.17.270 (3), (4), and (5).

(1) Documentation confirming the consent of the applicant or insured after communication of the information required by RCW 48.17.270(3) is acceptable under RCW 48.17.270(5) if:

(a) The insurance producer sends to the applicant or insured written confirmation of the disclosure;

(b) The written confirmation is sent no later than ten business days after the telephone or electronic purchase; and

(c) A copy of the confirmation is retained by the insurance producer.

(2) In addition, consent documented by a recording that meets the standards of RCW 9.73.030 is acceptable under RCW 48.17.270(5). The recording must be made and maintained in a retrievable format.

(3) The signature of the applicant or insured is not required for consent under this section.

(4) Documentation created under this section must be retained by the insurance producer for five years.

NEW SECTION

WAC 284-17-630 Display of licenses. RCW 48.17.460 requires the display of the license or licenses of each insurance producer, title insurance agent, or adjuster in a conspicuous place in that part of the place of the licensee's business which is customarily open to the public. Licensees whose personal residence is shown on their licenses may obscure their residence addresses as long as the licensee's name can be seen clearly by the public.

NEW SECTION

WAC 284-17-650 Transition rules--July 1, 2009. All licensees and applicants for licenses are urged to read and understand the changes in the insurance producer statutes, new rules and amendments to existing rules related to licensing and insurance education found in chapters 48.17 RCW and 284-17 WAC before July 1, 2009. A link to the statutes and rules is available at the commissioner's web site at www.insurance.wa.gov.

(1) Insurance licenses held on June 30, 2009, as an agent, broker or solicitor will automatically transition to an insurance producer license at 12:01 a.m. on July 1, 2009. For example, persons holding an agent's license on June 30, 2009, will automatically become licensed insurance producers beginning at 12:01 a.m. on July 1, 2009. No application is required for this transition. It will occur automatically by operation of law.

(2) The agent, general agent, broker and solicitor license types will be discontinued on June 30, 2009. After 12:01 a.m. on July 1, 2009, these types of licenses will be merged and converted to an insurance producer license. Additionally, all active

appointments or affiliations associated with these license types will be merged and associated with the producer license.

(3) Title insurance agent licenses will not transition to insurance producer licenses.

(4) The limited appointments to an insurer by a resident general agent based on RCW 48.05.310 will be eliminated on June 30, 2009. No conversion of existing limited appointments will occur.

(5) At 12:01 a.m. on July 1, 2009, licenses for the following lines of authority will automatically transition as follows:

Line of authority held on or before June 30, 2009	Line of authority transitioned to on July 1, 2009
Life	Life
Life with a securities license	Variable life and variable annuity products
Disability	Disability
Property	Property
Casualty	Casualty
Marine	Property and casualty
Surety	Surety
Vehicle	Personal lines
Credit life and disability	Limited line credit
Credit casualty	Limited line credit
Credit life and disability, with life, disability, property or casualty	Life, disability, property, casualty, or personal lines
Credit casualty, with life, disability, property or casualty	Life, disability, property, casualty, or personal lines
Travel	Travel

(6) Any license renewed or issued by the commissioner prior to July 1, 2009, will not be reprinted using the new license type or line of authority. Licensees who wish to obtain a new license document should go to the commissioner's web site (www.insurance.wa.gov) after July 1, 2009, for instructions on how to obtain a new license document.

(7) The license, licensing renewal and late fees must be paid beginning July 1, 2009, in accordance with RCW 48.14.010 and 48.17.170.

(8) Applications for late renewal and reinstatement not received by the commissioner as of midnight June 30, 2009, will be processed based on the requirements in effect on July 1, 2009.

(9) Pending applications for an initial or reinstated license or license renewal for agents, general agents, brokers, or solicitors received prior to June 30, 2009, but not approved for issuance until on or after July 1, 2009, will be issued as producer licenses.

(10) Any over-payments received by the commissioner based on fees in effect until July 1, 2009, will not be refunded; however, applicants for licenses, renewals and reinstatements, and

assessments for late fees will be assessed and must be paid according to the requirements of RCW 48.14.010 beginning at 12:01 a.m. on July 1, 2009.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 284-17-121	Qualifications of agents of insurers authorized to transact more than one line of insurance-- Exceptions.
WAC 284-17-230	May I take any approved continuing education course?
WAC 284-17-232	When must I meet the continuing education requirement?
WAC 284-17-234	What happens if I am late renewing my license?
WAC 284-17-236	What happens if my renewal is received prior to expiration but is incomplete due to the submission of an invalid course(s), an incorrect fee or noncompletion of the renewal notice?
WAC 284-17-238	What happens if I do not meet the continuing education requirement?
WAC 284-17-240	Can I reinstate my license?
WAC 284-17-242	How long do I have to keep the course completion certificates?
WAC 284-17-248	How long are my certificates of completion valid?
WAC 284-17-280	What courses are eligible for approval?
WAC 284-17-288	What attendance records must the provider maintain?
WAC 284-17-290	How long must the provider maintain the attendance or purchase and completion records?
WAC 284-17-298	Must I submit an electronic attendance roster?
WAC 284-17-301	Does the commissioner have the authority to levy a fine against a CE provider or revoke or suspend a CE provider's approval?
WAC 284-17-308	May I advertise a course prior to approval?
WAC 284-17-320	What are the qualifications of an instructor?

WAC 284-17-421	Definitions.
WAC 284-17-425	How long are initial and reinstated business entity licenses in effect?
WAC 284-17-427	What is the renewal period for a license?
WAC 284-17-431	What is the renewal period for an appointment?
WAC 284-17-433	How long is an appointment effective?
WAC 284-17-437	Appointments of agents.
WAC 284-17-441	Notice to an insurer if an agent is not eligible for an appointment if the appointment was not submitted electronically.
WAC 284-17-447	Termination of an appointment by an agent.
WAC 284-17-455	Agent must be licensed for all lines of authority of the appointing insurer.
WAC 284-17-457	Authority of an agent to act as a representative of an insurer and solicit insurance on its behalf before notifying the commissioner of the appointment.
WAC 284-17-463	Who is responsible for ensuring that the agent is eligible for appointment?
WAC 284-17-469	Is the insurer responsible for the acts of the agent during the period of time the agent is acting as a representative of the insurer or soliciting insurance on its behalf?
WAC 284-17-471	What are the consequences if the commissioner is not notified of the appointment within thirty calendar days after the date the agent has signed the first application for insurance for submission to the insurer and the agent continues to act as a representative of the insurer or solicit insurance on its behalf?
WAC 284-17-477	Valid period of an affiliation.
WAC 284-17-479	Termination of an affiliation by a business entity.
WAC 284-17-481	Requirements for termination of an affiliation by a business entity "for cause."
WAC 284-17-482	Information to be provided relating to a "for cause" termination to the commissioner.
WAC 284-17-552	Life insurance curriculum.

WAC 284-17-553
WAC 284-17-554
WAC 284-17-555

Disability insurance curriculum.
Casualty insurance curriculum.
Property insurance curriculum.

AMENDATORY SECTION (Amending Matter No. R 2008-04, filed 7/2/08, effective 8/2/08)

WAC 284-15-010 Brokers--Surplus line brokers--Qualifications and examination. (1) Each applicant for a resident surplus line broker's license must take and pass the required examination and pay the required fee prior to acting as a surplus line broker. The examination will test an applicant's qualifications and competence in all areas of surplus line insurance. Current information about testing procedures and examination dates is available on the commissioner's web site at: www.insurance.wa.gov.

(2) Before the commissioner can issue a surplus line broker's license, the applicant must be licensed in this state as an (~~agent or broker~~) insurance producer with both property and casualty lines of authority. This requirement may be satisfied if the licenses are issued simultaneously.

(3) The commissioner deems that a nonresident person holding a surplus line broker's license, or the equivalent, in the applicant's home state is qualified, competent and trustworthy and, therefore, meets the minimum standards of this state for holding a surplus line broker's license. For that reason, the commissioner will waive the Washington surplus line broker's examination for a person who has and maintains a current resident surplus line broker's license, or the equivalent, in the applicant's home state.

AMENDATORY SECTION (Amending Matter No. R 2008-04, filed 7/2/08, effective 8/2/08)

WAC 284-15-080 Relationship between surplus line broker and insurance ((agent)) producer not acting as the agent of the insured. When a surplus line broker accepts surplus line business from an ((agent)) insurance producer not acting as an agent of the insured, as permitted by RCW 48.15.080, acceptance of the business does not mean that the ((agent)) insurance producer has become the representative of the insured with respect to that business. In this circumstance:

(1) Return premiums or claim payments will not be deemed to have been paid to the insured or claimant until the payments are actually received by the insured or claimant.

(2) Delivery of notices involving the insurance, such as cancellation or renewal notices, will not be deemed to have been made until actually received by the insured.

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 284-12-090

When general agent may accept applications from nonappointed agents.